

ALASKA LEGISLATURE

1668

HOUSE and SENATE FINANCE COMMITTEE FILES, 1997-1998

TABLE B-2

## ASSESSMENT REQUIREMENTS FOR THE INITIAL TEACHING CERTIFICATE

STATE	Basic Skills Exam:					Subject Matter Exam	General Knowledge Exam	Knowledge of Teaching Exam	Assessment of Teaching Performance	Footnotes
	Reading	Math	Writing	Spelling	Other					
	1	2	3	4	5	6	7	8	9	
Alabama	(1)	(1)	(1)	(1)		(2)		(2)	X	(1) For admission to program (2) Institution's exit exam
Alaska										
Arizona	X	X			(1)					(1) Grammar
Arkansas	X	X	X			X		X		
California	X	X	X			(1)			X	(1) Or completion of an approved subject matter program
Colorado	X	X	X		(1)	X	X	X		(1) Oral English proficiency
Connecticut	X	X	X			X				
Delaware	X	X	X							
D.C.	X	X	X			X			X	
Florida	X	X	X			X	X	X	X	
Georgia						X				
Hawaii	X	X	X			X		X	X	
Idaho										
Illinois	X	X	X		(1)	X				(1) Grammar
Indiana	X		X		(1)	X	X	X		(1) Listening
Iowa										
Kansas	X	X	X					X		
Kentucky	(1)	(1)	(1)	X		X	X	X	X	(1) Required for admission to teacher education
Louisiana	X	X	X		(1)	X	X	X	X	(1) Communication skills
Maine					(1)		X	X		(1) Communication skills
Maryland	X		X	X	(1)	X	X	X		(1) Listening
Massachusetts						(1)				(1) Two-part exam covering communication and literacy skills and the subject matter knowledge for the certificate proposed for fall 1996
Michigan	X	X	X			X	(1)			(1) Elementary Certificate exam (subject-area exam)
Minnesota	X	X	X		(1)					(1) PPST required
Mississippi	X	X	X		(1)	X	X	X		(1) Listening
Missouri	(1)	(1)	(1)	(1)		X				(1) For entry into teacher education
Montana	X	X	X		(1)		X	X		(1) Listening
Nebraska	X	X	X							
Nevada	X	X	X			X		X		
New Hampshire	(1)	(1)	(1)							(1) Demonstrate competence by: a) college recommendation, b) possession of MA or higher, c) certification from state requiring basic skills test, d) statement from college
New Jersey						X	(1)		X	(1) For elementary education
New Mexico	X	X	X		(1)		X	X		(1) Listening
New York							X	X		
North Carolina	(1)	(1)	(1)		(2)	X		X		(1) Prior to entry into teacher education (2) Listening
North Dakota	(1)						X	X		(1) Prior to entry into teacher education
Ohio	X	X	X			X	X	X		
Oklahoma	X	X	X			X			X	
Oregon	X	X	X			(1)	X	X	(2)	(1) Communication Skills & General Knowledge Exams required for elementary (2) For Oregon graduates
Pennsylvania	X		X		(1)	X	(1)	X		(1) Listening (2) Includes Math
Rhode Island (1)	X	X	X	X			X	X		(1) Core battery of NTE
South Carolina	X	X	X			X		X		
South Dakota (1)	X	X	X			X			X	(1) Required within the Institutional program requirements
Tennessee	X	X	X			X	X	X	X	
Texas	X	X	X			X		X		
Utah										
Vermont										
Virginia	X	X	X			X	X	X		
Washington	(1)	(1)	(1)							(1) Required for some prior to entering teacher education
West Virginia	X	X	X			X			X	
Wisconsin	X	X	X							
Wyoming										



# NEA-ALASKA

*Affiliated with the National Education Association*

February 24, 1997

Representative Con Bunde  
Chairman of the House HESS Committee  
Juneau, Alaska

Dear Representative Bunde:

NEA-Alaska supports the use of testing to measure professional knowledge and competency of those who seek initial certification to teach in Alaska. We support HB 145.

Testing teachers prior to certification is consistent with last year's legislative mandate requiring a comprehensive system of teacher evaluation for experienced teachers. Beginning this year school administrators will be working more closely with teachers to both improve individual teaching performance.

NEA-Alaska seeks higher standards for teachers. Preparation programs must be relevant to experiences and needs of the classroom. The use of testing will provide Alaska a wealth of information on how well they are doing to prepare for Alaska's classrooms. Institutions that prepare students to teach in Alaska can use test results to identify methodology and innovation to insure that students who become teachers are trained and prepared well.

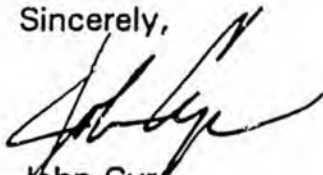
Certification standards imposed on new hires by the state must be rigorous. The evaluation teachers receive in classrooms by administrators along with future efforts by the State Board of Education in working with local school districts to improve teaching performance will move Alaska's schools toward greater levels of excellence. We support the Department's efforts to develop pre-service and practice assessments and measures for new and career teachers.

HB 145 will provide Alaska school districts a degree of assurance that applicants for teaching positions who apply for initial certification have

successfully completed a test designed to measure competency in basic skills, professional knowledge or expertise in their area of teaching specialty.

We look forward to working with the sponsors of the bill to address ways to make the bill better and more functional.

Sincerely,

A handwritten signature in black ink, appearing to read "John Cyr", written in a cursive style.

John Cyr  
President

# FISCAL NOTE

No. 1  
 Bill Version: CSHB 145(HES)  
 (H) Publish Date: 3/5/97

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

Revision Date: 24-Feb-97 Dept. Affected: EDUCATION  
 Title: An act relating to certification of teachers BRU: Teaching and Learning Support  
 Component: Teacher Education and Certification  
 Sponsor: Rep. Con Bunde  
 Requester: Office of the Governor COMPONENT SERIAL NO. 1240

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING EXPENDITURES	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES	77.0	21.0	21.5	22.0	22.5	23.0
TRAVEL	40.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	20.0	82.5	84.0	85.5	87.0	88.5
SUPPLIES	10.0	2.0	2.1	2.1	2.2	2.2
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	2.0	5.0	5.1	5.2	5.3	5.4
<b>TOTAL OPERATING</b>	<b>149.0</b>	<b>110.5</b>	<b>112.7</b>	<b>114.8</b>	<b>117.0</b>	<b>119.1</b>

<b>CAPITAL EXPENDITURES</b>	0	0	0	0	0	0
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<b>CHANGES IN REVENUES</b>	149.0	110.0	112.7	114.8	117.0	119.1
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**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	149.0	27.5	28.7	29.3	30.0	30.6
1005 GF/Program Receipts		82.5	84	85.5	87	88.5
Other:						
<b>TOTAL</b>	<b>149.0</b>	<b>110.0</b>	<b>112.7</b>	<b>114.8</b>	<b>117.0</b>	<b>119.1</b>

Estimate of current year (FY97) cost: \$ \$0

**POSITIONS:**

FULL-TIME	.4 FTE	.4 FTE	.4 FTE	.4 FTE	.4 FTE
PART-TIME					
TEMPORARY	1.2FTE				

**ANALYSIS:** (Attach a separate page if necessary)  
 Position analysis:  
 1FTE Education Associate  
 .2FTE Clerical Assistant  
 (Fy99-03-.4 clerical and professional)  
 For all other analysis, see attached.

Prepared by: Naricy Buell  
 Division: Teaching and Learning Support  
 Approved by Commissioner: Shirley J. Holloway, Ph.D. *Shirley J. Holloway*  
 Agency: Department of Education

Phone: 465-8689  
 Date: 2/24/97  
 Date: 2/24/97

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Analysis to accompany Fiscal Note for HB 145

Costs to the state to implement HB 145 come in four categories:

- 1) Selection and/or development of a test. Costs include
    - purchase of examination copies of all available, nationally recognized tests in sufficient quantity for review
    - staff time to collect technical information, review tests, prepare analysis for the Board
    - convening a work session of the Board and staff, with technical review assistance and training in setting of legally defensible cut-off scores
    - licensing fees, if applicable, for the state
  - 2) Revision of forms, procedures, and regulations necessary to implement the testing
    - staff time in start-up year
    - depending upon volume, ongoing analyst time which will convert to an additional portion of an analyst and a portion of a clerical in the teacher certification unit, based upon the feedback from other states
    - printing costs to redo all forms
    - programming costs to change to allow this as part of the teacher certification imaging system
  - 3) Program receipts authority FOR WHATEVER COMPONENT OF STATE GOVERNMENT, INCLUDING THE UNIVERSITY SYSTEM. These Program receipts would not necessarily go to the Department. In most states, these systems are run out of the universities, but in our state, if the University of Alaska runs the test centers, they would need additional program receipts authority. Therefore, the overall fiscal note is indicated, though it would not necessarily come to the Department.
    - fees paid by the applicant to the test center for purchase and scoring of the test(s)--a graduate scale depending upon the number of tests
    - any additional fees paid by the applicant to maintain the test center (e.g. proctor, facility, computer terminals if necessary and not included in start-up costs)
  - 4) Start-up costs (THESE COSTS WOULD BE APPLICABLE TO THE COMPONENT DOING THE TESTING, IF A UNIT OF STATE GOVERNMENT, E.G. THE UNIVERSITY OF ALASKA, OR THE DEPARTMENT IF A TEST CENTER IS LOCATED HERE.)
    - Initial costs prior to the first applicants providing program receipts (e.g. computer terminals if required, facilities rental, proctor costs, training of proctors, program coordination)
- These costs are listed as a "miscellaneous expense" on the fiscal note.

It is important to note that in the case of the GED, the SAT, the Graduate Record Examination, and other tests of even the pencil-and-paper variety, test centers are all financed by someone.

It is anticipated that after two years, this program could pay for itself at the test center and administration level. However, feedback from other Teacher Certification units in other states indicates that additional costs for the department will continue.

NOTE: IT WILL BE IMPOSSIBLE TO IMPLEMENT THIS BILL STARTING JULY 1, 1997.

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. HB 145

Revision Date: 24-Feb-97 Dept. Affected: EDUCATION  
 Title: An act relating to certification of teachers BRU: Teaching and Learning Support  
 Component: Teacher Education and Certification  
 Sponsor: Rep. Con Bunde  
 Requester: Office of the Governor COMPONENT SERIAL NO. 1240

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES	77.0	21.0	21.5	22.0	22.5	23.0
TRAVEL	40.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	20.0	1.0	1.0	1.0	1.0	1.0
SUPPLIES	10.0	2.0	2.1	2.1	2.2	2.2
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>147.0</b>	<b>24.0</b>	<b>24.6</b>	<b>25.1</b>	<b>25.7</b>	<b>26.2</b>

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGES IN REVENUES	147.0	24.0	24.6	25.1	25.7	26.2
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	147.0	24.0	24.6	25.1	25.7	26.2
1005 GF/Program Receipts		0	0	0	0	0
Other:						
<b>TOTAL</b>	<b>147.0</b>	<b>24.0</b>	<b>24.6</b>	<b>25.1</b>	<b>25.7</b>	<b>26.2</b>

Estimate of current year (FY97) cost: \$ \$0

**POSITIONS:**

FULL-TIME	.4 FTE	.4 FTE	.4 FTE	.4 FTE	.4 FTE
PART-TIME					
TEMPORARY	1.2FTE				

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

Position analysis.  
 1FTE Education Associate  
 .2FTE Clerical Assistant  
 (FY99-03-.4 clerical and professional)  
 For all other analysis, see attached.

Prepared by: Nancy Buell  
 Division: Teaching and Learning Support  
 Approved by Commissioner: Shirley J. Holloway, Ph.D.  
 Agency: Department of Education

Phone: 465-8689  
 Date: 2/24/97  
 Date: 3/10/97

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Analysis to accompany Fiscal Note for HB 145

Costs to the state to implement HB 145 come in four categories:

- 1) Selection and/or development of a test. Costs include
  - purchase of examination copies of all available, nationally recognized tests in sufficient quantity for review
  - staff time to collect technical information, review tests, prepare analysis for the Board
  - convening a work session of the Board and staff, with technical review assistance and training in setting of legally defensible cut-off scores; if this is done by another body (e.g. teacher educators) in preparation for the Board's decision the process would be essentially similar)
- 2) Revision of forms, procedures, and regulations necessary to implement the testing
  - staff time in start-up year
  - depending upon volume, ongoing analyst time which will convert to an additional portion of an analyst and a portion of a clerical in the teacher certification unit, based upon the feedback from other states
  - printing costs to redo all forms and develop informational materials to include in the application packet
  - programming costs to change to allow this as part of the teacher certification imaging system
- 3) Ongoing costs to implement the program
  - cost to revise and distribute instructions form (requires an additional form which validates that they have taken the test and met or exceeded cut scores)
  - clerical time to log, set up imaging file, handle outside of the single-packet system<sup>1</sup>
  - analyst time to deal with exceptions; requests for use of another, essentially equivalent test; answer queries about the test, hear appeals from individuals who did not pass but wished to offer alternative proof, etc.

This will affect approximately 4500 new applicants each year (new to profession, new to Alaska, new to teaching in Alaska, or new Type B's who must qualify for a Type A).

NOTE: IT WILL BE IMPOSSIBLE TO IMPLEMENT THIS BILL STARTING JULY 1, 1997.

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<sup>1</sup> Currently, the single-packet application system has allowed Teacher Certification to go from approximately 3 months to certify an individual down to 3 weeks. Since scores would have to come directly from a testing company, assuming that a commercial test was adopted, these could not be part of the single-packet application. An alternative which would be equally costly would be to include some type of envelope which the individual would send to the testing company.

# FISCAL NOTE

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

**BILL NO. CSHB 145 (HESS)**

Revision Date: 3/11/97  
 Title: An act relating to certification of teachers  
 Sponsor: Rep. Con Bunde  
 Requester: Office of the Governor

Dept. Affected: EDUCATION  
 BRU: Teaching and Learning Support  
 Component: Teacher Certification

**COMPONENT SERIAL NO. 1240**

**Expenditures/Revenues: (Thousands of Dollars)**

OPERATING EXPENDITURES	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL	15.0					
CONTRACTUAL	75.0	20.0	20.0	20.0	20.0	20.0
SUPPLIES	10.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>100.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>

<b>CAPITAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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<b>CHANGES IN REVENUES</b>						
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**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	100.0	23.0	23.0	23.0	23.0	23.0
1005 GF/Program Receipts						
Other:						
<b>TOTAL</b>	<b>100.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>

**Estimate of current year (FY97) cost: \$**

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

Please see attached analysis

Prepared by: Nancy Buell  
 Division: Teaching and Learning Support

Phone: 465-8689  
 Date: 3/11/97

Approved by Commissioner: Shirley J. Holloway, Ph.D.  
 Agency: Department of Education

Date: 3/11/97

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**Department of Education**  
***Fiscal Note Analysis***

CSHB 145 (HESS)

An Act relating to certification of teachers

***Travel - \$15.0***

With the implementation date of July 1, 1998, the department will need to accelerate the work of the Professional Licensure Task Force. The existing travel budget for the Teacher Certification unit is very limited. In order for staff to be able to work with the task force and the State Board in implementing the teacher exam, additional travel will be required.

***Contractual - \$75.0***

Funding under contractual will be used for the following:

1. professional services contract to review and analyze all nationally recognized tests to determine if they meet Alaska's standards for professional educators and determine legally defensible cut-off scores, \$50.0;
2. costs associated with revising forms, procedures, regulations, and the development of informational materials including advertising, printing and mailing, \$5.0;
3. revisions to data base application to accommodate the standards based licensure system including tracking and reporting \$15.0; and
4. start up costs for the administration of the test, \$5.0.

***Supplies - \$10.0***

These funds include office supplies such as purchase of envelopes, preprinted forms, computer software (not hardware), and other consumable supplies related to implementation of the teacher exam.

It is anticipated that once a test is selected that meets the Alaska standards for professional educators, applicants for licensure in the state would pay a specific vendor for administration of the test. However, based on information from other states that have implemented a teacher exam, there are ongoing costs to the department that are reflected in the fiscal note.

The legislation will affect approximately 4,500 new applicants each year including those new to the profession, new to Alaska, new to teaching in Alaska, or new Type B applicants who must qualify for a Type A.

**HB**

**145**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/9/97

FURTHER: REPORTED OUT OF  
CFO APR 24 1997

DATE TURNED  
IN TO OFFICE: 4-25-97

Finance Committee considered CS FOR HOUSE BILL NO. 145(HES)

"An Act relating to certification of teachers."

and recommends:

be replaced with S CS HB 145 (FIN)

adopt previous CS ( )

attached amendment(s)

adopt Letter of Intent by \_\_\_\_\_ Committee

further referral to the \_\_\_\_\_ Committee

**Senate Bill:**

- same title
- new title
- House Bill:**
- same title
- technical change
- new: SCR# \_\_\_\_\_

SIGNING <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Reed E. Kelly</i>	✓		
		<i>Sean Hannell</i>	✓		
		<i>Bill Adams</i>		X	
		<i>John Soyars</i>	✓		
		<i>Walter Duley</i>	✓		
Co-Chair: <i>Deane</i>	✓	Co-Chair:			
Co-Chair: <i>Bob King</i>	✓	Co-Chair:			

**NEW FISCAL NOTE(S):**

Department                      Date      Zero      Fiscal

DOE	Forthcoming FN from DOE (Teacher Cert.)		✓

**PREVIOUS FISCAL NOTE(S):\***

Department                      Date      Zero      Fiscal


APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

REPORTED ON  
SFC APR 24 1997

BILL NO. SCS CSHB 145 (FIN)

Revision Date: \_\_\_\_\_ Dept. Affected: EDUCATION  
 Title: An act relating to certification of teachers BRU: Teaching and Learning Support  
 Component: Teacher Certification  
 Sponsor: House HES  
 Requester: Senate Finance Committee COMPONENT SERIAL NO. 1240

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING EXPENDITURES	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL	15.0					
CONTRACTUAL	75.0	20.0	20.0	20.0	20.0	20.0
SUPPLIES	10.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>100.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CHANGES IN REVENUES						
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**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	100.0					
1005 GF/Program Receipts		23.0	23.0	23.0	23.0	23.0
Other:						
<b>TOTAL</b>	<b>100.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>	<b>23.0</b>

Estimate of current year (FY97) cost: \$

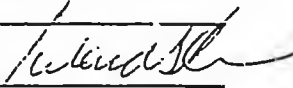
**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

The Senate Finance Committee Substitute requires that the Department of Education establish fees sufficient to cover the cost of certifying and disciplining teachers in Alaska. The legislation requires that the program be self-supporting beginning July 1, 1998. The costs included in this fiscal note are related to developing a teacher examination in FY98 and for implementation beginning in FY99 to be paid by certification applicants. This note does not include changes in the fee structure that will be required in order to become self-supporting.

Please see the attached analysis for additional information on the FY98 costs.

Prepared by: Nancy Buell Phone: 465-8689  
 Division: Teaching and Learning Support Date: 4/25/97  
 Approved by Commissioner: Shirley J. Holloway, Ph.D.  Date: 4/25/97  
 Agency: Department of Education

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Department of Education  
*Fiscal Note Analysis*

SCS CSHB 145 (FIN)

An Act relating to certification of teachers

*Travel - \$15.0*

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4. start up costs for the administration of the test, \$5.0.

*Supplies - \$10.0*

These funds include office supplies such as purchase of envelopes, preprinted forms, computer software (not hardware), and other consumable supplies related to implementation of the teacher exam.

It is anticipated that once a test is selected that meets the Alaska standards for professional educators, applicants for licensure in the state would pay a specific vendor for administration of the test. However, based on information from other states that have implemented a teacher exam, there are ongoing costs to the department that are reflected in the fiscal note.

The legislation will affect approximately 4,500 new applicants each year including those new to the profession, new to Alaska, new to teaching in Alaska, or new Type B applicants who must qualify for a Type A.

**HB**

**146**

**HFIN**

**FILE**

REPRESENTATIVE  
**TERRY MARTIN**  
VICE-CHAIRMAN  
BUDGET & AUDIT COMMITTEE  
MEMBER  
HOUSE FINANCE COMMITTEE

# Alaska State Legislature

MAY 15 - JAN 15 258-8169  
716 W. 4TH, SUITE 650  
ANCHORAGE, AK 99504

JAN 15 - MAY 15 465-3783  
STATE CAPITOL  
JUNEAU, AK 99801-1182



April 14, 1997

TO: House Finance Committee

FROM: Rep. Terry Martin *HM*

RE: Amendments to HB 146  
Pupil Competency Testing

The following ideas are currently being drafted into amendment for tomorrow's meeting:

1. Assessment procedures be administered to Elementary School students and Middle or Junior High School Students. Assessments to occur at grades 4, 8 and 11, in preparation for high school graduation competency exam.
2. Consideration be given by school districts as to potential impact on matriculation to next grade level, as well as to graduation from high school.
3. Intervention plans to be developed by school districts to assist students whose assessments reveal they have not mastered skills required by exit criteria, allowing students the opportunity to correct deficiencies and improve their success in public school. Intervention plans must be in place before assessments can be implemented.
4. Alternative standards be developed by school districts to properly assess students with special needs, such as learning or language disabilities.



Rescinded failed  
~~adopted~~ 5/4

0-LS0515\B.1-  
Ford  
4/14/97

#1

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 146(HES)

- 1 Page 1, line 1, following "for":
- 2       Insert "elementary and"
  
- 3 Page 1, line 5:
- 4       Delete "Secondary pupil"
- 5       Insert "Pupil"
  
- 6 Page 1, line 14, following "under":
- 7       Insert "(a) of"
  
- 8 Page 2, following line 4:
- 9       Insert new subsections to read:
- 10               "(c) In addition to the competency testing required under (a) of this section,
- 11       a governing body shall require that pupils be tested for competency in the areas of
- 12       reading, English, mathematics, science, and social science in the fourth, eighth, and
- 13       11th grades. The department shall determine the form and content of the examination
- 14       and shall score completed examinations. A pupil who fails to pass an examination
- 15       required under this subsection shall receive remedial instruction in the areas tested.
- 16       Remedial instruction must be provided as soon as possible following the disclosure
- 17       of the test results to the school district.
- 18               (d) A district shall
- 19                       (1) consider each pupil's test results before a pupil passes into the next
- 20       grade;
- 21                       (2) develop intervention plans to assist students who require remedial
- 22       instruction; intervention plans must be in place before a pupil is tested as required

- 1 under this section; and
- 2 (3) develop alternative testing standards for pupils with special needs,
- 3 including learning or language disabilities."

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: March 24, 1997

FURTHER REFERRALS:

Date of Committee Action: 4/11/97

The FINANCE Committee considered:

HB 146

HOUSE BILL NO. 146

PUPIL COMPETENCY TESTING

"An Act relating to competency testing requirements for secondary students; and providing for an effective date."

recommends it be replaced  
with the following committee substitute

CS HB 146 (Fin)

the same title  
 a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) HFC for DOE

fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Gene Theriault</i>	Theriault			X	
<i>Mark Hanley</i>	Hanley	X			
<i>Edon Mulder</i>	Mulder	X			
<i>Vic Kohring</i>	Kohring				X
<i>John M. Davies</i>	Davies		X		
<i>Ben Grossenbott</i>	Grossenbott				X
<i>Randy Moses</i>	Moses			X	
<i>Fred Davis</i>	DAVIS			X	

CHAIR'S SIGNATURE

*Gene Theriault* *Mark Hanley*

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. CSHB 146 (FIN)

Dept. Affected EDUCATION

BRU: Teaching & Learning Support

Title: An Act relating to competency testing  
requirement for secondary students

Sponsor: House HESS Committee

Requestor: \_\_\_\_\_

Components: Quality Schools

Serial # 2147

**EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)**

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Personal Services	66.0	66.0	66.0	66.0	66.0	66.0
Travel	10.0	10.0	8.0	8.0	8.0	8.0
Contractual	400.0	174.1	174.1	174.1	174.1	174.1
Supplies	4.0	8.4	8.4	8.4	8.4	8.4
Equipment	10.0	5.0	0.0	0.0	10.0	5.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>490.0</b>	<b>263.5</b>	<b>256.5</b>	<b>256.5</b>	<b>266.5</b>	<b>261.5</b>

<b>CAPITAL</b>	0.0	0.0	0.0	0.0	0.0	0.0
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<b>REVENUE</b>	0.0	0.0	0.0	0.0	0.0	0.0
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**FUNDING: (THOUSANDS OF DOLLARS)**

General Fund	490.0	263.5	256.5	256.5	266.5	261.5
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>490.0</b>	<b>263.5</b>	<b>256.5</b>	<b>256.5</b>	<b>266.5</b>	<b>261.5</b>

**POSITIONS:**

Full-Time	1	0	0	0	0	0
Part-Time	1	0	0	0	0	0
Temporary	0	0	0	0	0	0

**ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)**

see attached analysis

Prepared by:

House Finance Committee

Date: 4/16/97

Rep. Mark Hanley, Co-Chair

Phone: 465-4939

Rep. Gene Therriault, Co-Chair

Phone: 465-4797

# **HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE**

ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES

STATE CAPITOL, JUNEAU 99801  
(907) 465-3759



## **SPONSOR STATEMENT**

### **CS HB 146 (HES)**

**"An Act relating to competency testing requirements for secondary students; and providing for an effective date."**

Many of our high school graduates are finishing school and receiving high school diplomas without the skills necessary to survive in the world. This must not continue.

Over twenty states now conduct student competency tests for a standard high school diploma. The students in these states must pass a test with a minimum score before they are allowed to graduate. Three states also have an exit exam for an "Endorsed Diploma." To earn this, the students not only have to pass the test, but must score at a designated level, higher than the minimum required for a regular diploma. Three more states go even further and have a more rigorous test for an "Honors Diploma."

Under the provisions of CS HB 146 (HES), a student is required to pass a competency examination in the areas of reading, English, mathematics, science, Alaska and United States history before receiving a high school diploma. The test would be selected by the department. A pupil who failed this examination and was no longer in attendance would get a certificate of attendance. It would indicate the number of years of attendance, but would also show that the pupil has neither passed a competency examination nor received a diploma. The pupil would have the opportunity to be re-examined, but it would have to take place within three years after the pupil left high school.

It is time for Alaska to take its place among those states working to ensure that their high school graduates have the knowledge they need to succeed in the world.

Adopted

#2

Amendment

by Mulder

To: CSHB 146 (HES)

Page 1, line 7, following "mathematics":

Insert ". "

Delete (through line 8): "science, Alaska history and United States history."

## Fiscal Note

STATE OF ALASKA  
1997 Legislative Session

Bill No. CS HB 146(FIN)

### Updated Analysis (4/16/97)

This legislation will fiscally impact both the local school districts and the state. Districts will have increased costs in making testing available for students, in providing tracking and remedial assistance, in logistics associated with test security and administration. Other projected costs will include redoing district-level diploma format, providing testing for out-of-school students and loss of revenue due to higher dropout rates, which have been experienced in other states.

Anticipating all of the costs of an exit examination is very complex. Alaska has many unique conditions which make it extremely difficult to accurately predict the costs of developing and maintaining the test. Substantial legal challenges have resulted in establishing a standard which Alaska must meet.

The figures in this fiscal note represent the best information the department can extrapolate from other states and expert advice at this time. It has been adjusted for the numbers of students and other specifics, e.g., Alaska travel costs. The department believes that this is the minimum amount necessary to implement the requirements of this legislation. However, it will be necessary to revise future years as more information is made available.

### Personal Services - \$66.0

This will include funding for a new full-time Education Assistant, Range 11, at \$37.0 and a part-time Administrative Clerk 11, Range 8, for ten months at \$29.0. This staffing level is based up the test being developed entirely by a contractor and the assessment budget, including the one existing assessment staff member being maintained.

### Travel - \$10.0

Travel costs are associated with field testing and training sessions around the state. Field testing is an essential element in establishing the technical quality of all test items. Staff will be required to work with the contractor to establish the field test and be present to work with groups to validate items and establish parameters for testing.

### Contractual - \$400.0

CS HB 146(FIN) will require an exit examination in three areas: reading, language arts and mathematics. Based on testimony, the three subject areas comprise two different test content areas (reading and language arts being developed as one test content area). Estimates of the cost of developing exit examinations in other states range from \$150,000 to \$250,000 per content area. This revised fiscal note is built on the average range of \$200,000 for two test content areas. These funds will cover the cost of developing the test, setting standards, developing scoring protocols, layout, scanning of answer sheets, reports and revision of the test through revision and renorming, equating studies, item bank development, or a combination of these. These costs also include any necessary revision and annual maintenance of the test or scoring. It also includes postage, printing, fax and long distance costs.

### Supplies - \$4.0

Supplies include the purchase of testing materials and office supplies.

### Equipment - \$10.0

These funds will be used to purchase the necessary computer equipment, including a scanner, to handle the data associated with the exit examination. Anticipated upgrade and replacement costs are reflected in future year anticipated costs.

# FISCAL NOTE

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

**BILL NO. CSHB 146 (FIN)**

Revision Date: \_\_\_\_\_ Dept. Affected: EDUCATION  
 Title: An act relating to competency testing BRU: Teaching and Learning Support  
requirements for secondary students Component: Quality Schools  
 Sponsor: House HESS Committee  
 Requester: House Finance Committee **COMPONENT SERIAL NO.** \_\_\_\_\_ **2147**

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING EXPENDITURES	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES	66.0	66.0	66.0	66.0	66.0	66.0
TRAVEL	10.0	10.0	8.0	8.0	8.0	8.0
CONTRACTUAL	<del>1170</del> 472.2	174.1	174.1	174.1	174.1	174.1
SUPPLIES	4.0	8.4	8.4	8.4	8.4	8.4
EQUIPMENT	10.0	5.0	0.0	0.0	10.0	5.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>562.2</b>	<b>263.5</b>	<b>256.5</b>	<b>256.5</b>	<b>266.5</b>	<b>261.5</b>

<b>CAPITAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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<b>CHANGES IN REVENUES</b>						
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**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	562.2	263.5	256.5	256.5	266.5	261.5
1005 GF/Program Receipts						
Other:						
<b>TOTAL</b>	<b>562.2</b>	<b>263.5</b>	<b>256.5</b>	<b>256.5</b>	<b>266.5</b>	<b>261.5</b>

Estimate of current year (FY97) cost: \$

**POSITIONS:**

FULL-TIME	1					
PART-TIME	1					
TEMPORARY						

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

Please see attached analysis

Prepared by: Nancy Buell, Director Phone: 465-8689  
 Division: Teaching and Learning Support Date: 4/16/97  
 Approved by Commissioner: Shirley J. Holloway, Ph.D. *[Signature]* Date: 4/16/97  
 Agency: Department of Education

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## Fiscal Note

STATE OF ALASKA  
1997 Legislative Session

Bill No. CS HB 146(FIN)

### Additional Analysis

This will cost all school districts, in addition to the anticipated costs to the state. Districts will have increased costs in making testing available for students, in providing tracking and remedial assistance, in logistics associated with test security and administration, these are a minimum. Other projected costs will include redoing district-level diploma format, providing testing for out-of-school students, and in loss of revenue from the higher drop-out rates which have followed the use of an exit test in other states.

Anticipating all of the costs of an exit examination is very complex, not only because such a test affects the lives of children, but because there have been substantial legal challenges to these tests that have resulted in the standard to which Alaska will be held. It is extremely difficult to get accurate figures on the cost of development and maintenance of this test, because no other state has the unique conditions of Alaska.

The figures in this fiscal note represent the best information the department can extrapolate from other states and expert advice at this time. It has been adjusted for numbers of students and other specifics, e.g., Alaska travel costs. The department believes that this is the **minimum amount necessary** to implement the requirements of the legislation. However, it will be necessary to revise future years as more information is made available.

### Personal Services - \$66.0

This will include funding for a new full-time Education Assistant, Range 11, at \$37.0 and a part-time Administrative Clerk II, Range 8, for ten months at \$29.0. This staffing level relies on the test being developed entirely by a contractor and on the one existing assessment staff member and assessment budget being maintained.

### Travel - \$10.0

Travel costs are associated with field testing and training sessions around the state. Field testing is an essential element to establish the technical quality of all test items, and the involvement of stakeholder groups is necessary to validate items. Staff will need to work with the contractor to establish the field test, and be present in working with groups to validate items and establish parameters for testing.

### Contractual - \$472.2

CS HB 146(FIN) will require an exit examination in three areas: reading, language arts, and mathematics. Estimates of the cost of developing exit examinations in other states, range from \$150,000 to \$250,000 per content area. These funds will cover the cost of development of the test, standards setting, developing scoring protocols, layout, scanning of answer sheets, reports, and revision of the test itself through revision and renorming, equating studies, item bank development, or a combination of these. These costs also include any necessary revision and annual maintenance of the test or scoring. It also includes postage, printing, fax and long distance costs.

### Supplies - \$4.0

Supplies include the purchase of testing materials and office supplies.

### Equipment - \$10.0

These funds will be used to purchase the necessary computer equipment, including a scanner, to be able to handle the data associated with the exit examination. Anticipated upgrade and replacement costs are reflected in future year anticipated costs.

# FISCAL NOTE

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

**BILL NO. HB146**

Revision Date: 26-Feb-97  
 Title: Secondary Pupil Competency Testing

Dept. Affected: EDUCATION  
 BRU: Teaching and Learning Support  
 Component: Quality Schools

Sponsor: Bunde  
 Requester: (H)HESS

**COMPONENT SERIAL NO. 2147**

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES	137.6	139.5	142.4	145.8	148.1	151.2
TRAVEL	25.0	25.0	8.0	8.0	8.0	8.0
CONTRACTUAL	385.6	87.5	88.2	90.1	93.1	94.5
SUPPLIES	4.0	8.4	7.6	8.1	8.4	8.5
EQUIPMENT	10.0	5.0	0.0	0.0	0.0	5.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>562.2</b>	<b>265.4</b>	<b>246.2</b>	<b>252.0</b>	<b>267.6</b>	<b>267.2</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGES IN REVENUES</b>						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	562.2	265.4	246.2	252.0	267.6	267.2
1005 GF/Program Receipts						
Other:						
<b>TOTAL</b>	<b>562.2</b>	<b>265.4</b>	<b>246.2</b>	<b>252.0</b>	<b>267.6</b>	<b>267.2</b>

Estimate of current year (FY97) cost: \$

POSITIONS:

FULL-TIME	2.0					
PART-TIME	1					
TEMPORARY						

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

Education Specialist II (Range 21)  
 Education Assistant (Range 12)  
 Administrative Clerk II (Range 10)

See attached for other items

Prepared by: Nancy Buell  
 Division: Teaching and Learning Support  
 Approved by Commissioner: Shirley J. Holloway, Ph.D.  
 Agency: Department of Education

Phone: 465-8689  
 Date: 2/26/97  
 Date: 2/26/97

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Analysis to accompany Fiscal Note on HB146

This will cost all school districts, in addition to the anticipated costs to the state. Districts will have increased costs in making testing available for students, in providing tracking and remedial assistance, in logistics associated with test security and administration, at minimum. Other projected costs would include redoing district-level diploma format, providing testing for out-of-school students, and in loss of revenue from the higher drop-out rates which seem to inevitably follow the use of an exit test in other states.

Anticipating all of the costs of an Exit Examination is very complex, not only because such a test affects the lives of children, but because there have been substantial legal challenges to these tests and we know the standard to which it will be held. It is extremely difficult to get accurate figures on the cost of development and maintenance of this test, because no other state has the unique conditions of Alaska. The figures in this fiscal note represent the best information that we can extrapolate from other states at this time. It has been adjusted for numbers of students and other specifics known at this time for Alaska (e.g. travel costs). However, we will need to revise future years as more information is made available and as we have more time to thoroughly research this topic.

**Personnel Services** includes a skeleton staff on one Education Specialist, one Education Assistant and part of a clerical staff member. This is extremely conservative by the standards of other states, all of which have assessment staff far beyond what Alaska has now and would project even with this fiscal note.

**Travel** costs are associated with field testing and training sessions around the state. Field testing is absolutely essential for a high-stakes test, because the state would have to be able to withstand strict scrutiny in the technical quality of all test items, norms and cut scores. All new items would have to be field tested and subjected to review and technical screening. Staff would need to conduct the field test themselves, or supervise carefully any other staff or contractors, because variation in field staff could affect technical merit of the test items, and which is part of the standardization and defensibility of the test.

**Contractual** includes the cost of the test itself, development, standards setting, expertise where technical manipulation of scores is concerned (not included in Personnel costs above), layout, scanning of answer sheets, reports (individual, school, district, state), and revision of the test itself through either a rewrite and renorming, equating study, item bank development, or a combination of these. The field test is perpetual. No state uses a shelf product. No shelf product would ever be secure. There are commercially available copies of other state's tests, which are by definition not secure (e.g. available to the public). Conceivably one could get the test publisher to give one a secure item bank, or develop ones own item bank, with norming and standardization. In any case, after a large start-up cost, there are annual maintenance fees.. This item also includes postage, printing, fax, long distance.

**Equipment** includes purchase of computer and scanner, with anticipated replacement. Without new equipment, we would not be able to outfit the employees working on this with stations which could handle the data associated with this project.

HB146

ALABAMA: contract selection made April 1997.

High school exit exam: Contract will be for development and item work only. Includes meetings, planning, all development work including item tryouts and camera ready copy for the state to print the tests. No scoring is included.

An item pool of: 1200 Reading/Language items  
600 Math items  
600 Science items  
600 Social Studies items

All items are multiple choice only. They plan to make 5 or 6 forms from the item pool. The cost will be 2.152 million over 3 1/2 years. It was estimated that Reading, Language and math only would be about 1.3-1.4 million.

LOUISIANA:

Similar to Alabama except that constructed response items are being added. It is estimated that the cost will be about \$800,000 greater than Alabama.

*In both cases above one of the key issues was defensibility of the test and the scores. This requires extra caution and work on the technical aspects of the assessments.*

MISSOURI:

Not exit testing but a three grade program similar to Washington State with TerraNova, our newest achievement test, as the core and additional constructed response, multiple choice items and a writing sample added to the mix. The development costs will be 2.35 million over the three grades.

WASHINGTON:

A three grade program of multiple response formats at grades 4, 7 and 10 leading to a 'Certificate of Mastery' required for a high school diploma. Costs for development, piloting and scoring of the 5 forms to be used were: year 1-1.255 million, year 2-2.293 million and year 3-3.575 million. The increases in years 2 and 3 is due primarily to the larger number of students being tested and scored. Year one included development and pilot of grade 4. Year two was grade 4 with a pilot of grade 7 and year three 4 and 7. Washington has about 65-70,000 students per grade.

NEW MEXICO:

New Mexico has a high school competency exam. The ongoing cost is about \$500,000 year. If I am able to get start up costs before the end of the day I will add them and refax the information.

\*\*addition--includes standard setting and an item development workshop every other year to develop a pool of new multiple choice and constructed response items. 30-40% old items are retained each year with balance being new each year. They test about 30,000 annually. Start up costs would about 15-20% higher for the first year.



late addition 7/14

**ABBREVIATED VITA: W. JAMES POPHAM**  
Professor Emeritus, UCLA Graduate School of Education  
Director, IOX Assessment Associates

W. James Popham has spent the bulk of his educational career in classrooms as a teacher in high schools or colleges. His first teaching assignment, for example, was in a small eastern Oregon high school where he taught junior and senior English, American government, speech, and geography as well as served as yearbook advisor, class sponsor, and unpaid tennis coach. At that time, it appears, small eastern Oregon high schools did not require teachers to be subject-matter specialists.

The bulk of Dr. Popham's teaching career took place in the UCLA Graduate School of Education where, for nearly 30 years, he taught courses in instructional methods for prospective elementary/secondary teachers and courses in educational evaluation and measurement for masters and doctoral candidates. At UCLA he won several distinguished teaching awards. In 1992, he took an early retirement at UCLA upon learning that emeritus professors received free parking.

Because at UCLA he was acutely aware of the perishability of professors who failed to publish, he spent many of his non-teaching hours affixing words to paper. The result: 20 books, 175 journal articles, 50 research reports, and 125 papers presented before research societies. Although not noted in his official vita, while on the UCLA faculty he also authored 1,420 grocery lists.

In 1978, Dr. Popham was elected to the presidency of the American Educational Research Association (AERA). He was also the founding editor of *Educational Evaluation and Policy Analysis*, a quarterly journal published by AERA. He has attended each year's AERA meeting since his first in 1958. He is compulsive.

In 1968, Dr. Popham established IOX Assessment Associates, a Los Angeles test-development and evaluation agency that has created statewide student achievement tests for a dozen states. He has personally passed all of those tests, largely because he has had unlimited access to the answer keys.

Dr. Popham's complete 28-page, single-spaced vita is available on request. It is really dull reading.

**House Finance Commi, Legislative Testimony on High**

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To: House Finance Committee  
From: Testdoctor@aol.com (by way of Nancy Buell  
<nbuell@educ.state.ak.us>)  
Subject: Legislative Testimony on High School Assessment  
Cc:  
Bcc:

Dear Dr. Buell,

Thank you very much for the opportunity to meet with your staff yesterday. I have given some additional thought to the issue of a legislatively mandated high school graduation assessment and would like to offer the following observations.

First, challenges to these assessments in other states have typically involved the disparity between the assessment and the opportunity to learn the contents of those assessments. Hence a defensible assessment must be very narrowly focused -- typically to language arts, social studies, and math. Although other state-wide standards, such as science, are clearly important, the opportunities to meet assessment requirements are limited by wide variations in equipment and teaching ability.

Second, challenges to high stakes assessments have almost always included psychometric issues. As you know, even widely used national tests have significant limitations of validity and reliability when measured with small sample sizes. The principal expert witness in several cases has been James Popham of IOX Associates in Los Angeles. Jim is a former faculty member at UCLA and has consulted widely with state boards and legislatures. If, in the future, the state is faced with litigation on this issue, you may want to insure that he is on your side.

Third, the expense involved in these assessments is formidable. The cost estimates from other states range from \$45 per student (Missouri and Colorado) to more than \$110 per student. The lower end of that range is for a single assessment which includes 1/3 multiple choice, 1/3 short answer, and 1/3 extended response. The high end is for four separate performance assessments in math, science, social studies, and language arts. Even these costs are understated, because they assume a single administration for each student. In fact, a defensible system must include multiple opportunities for success, thus increasing the cost accordingly.

Fourth and finally, I think a persuasive argument can be made that the limited resources available can be effectively focused on establishing a requirement for standards-based performance assessments at the district level. The use of a common framework for assessment (perhaps including inter-district exchanges of evaluators) can minimize cost while maintaining a commitment to consistent application of state standards. At a more fundamental level, the state can exercise

**House Finance Commi, Legislative Testimony on High**

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significant oversight while preserving local control if it simply monitors the extent to which standards-based performance assessments are used at all for each of the state standards. If the legislature is determined to have a state-wide graduation requirement, then I would encourage policy-makers to focus on the framework for assessment rather than resort to a narrowly focused and inherently low-level test.

I will call attorney Dave Burman in Seattle today and ask for his recommendations for other expert witnesses. If it would be helpful, I would also be available to provide either background briefings or testimony on this matter.

Thank you for your consideration.

Douglas B. Reeves, Ph. D.  
Director, Center for Performance Assessment  
1660 South Albion, Suite 1002  
Denver, CO 80222  
(800) 844-6599 (303) 504 9312  
Fax: (303) 504-9417 E-Mail: testdoctor@aol.com

Possible Implementation Table for Exit Examination

1997-98	1998-99	1999-2000	2000-01	2000-02	2000-03
<p>Draft test in Reading, Writing and Mathematics, pilot subsets of items, pilot full test</p> <p>Mandate standards in Reading, Writing and Mathematics</p> <p>Disseminate performance standards in Reading, Writing and Mathematics related to the test</p>	<p>Field test</p> <p>Establish state norms</p> <p>Establish cut-off scores</p> <p>Districts develop remedial system</p> <p>Teacher training</p>	<p>Test 9th graders</p>	<p>Test 9th and 10th graders</p>	<p>Test 9th, 10th and 11th graders</p>	<p>Test 9th, 10th, 11th and 12th graders</p>
<p><b>***DEPARTMENT DOES NOT RECOMMEND A STATE-LEVEL TEST IN SCIENCE AND SOCIAL STUDIES DUE TO THE LACK OF CONSENSUS ON STANDARDS AND CONCERNS BEING CURRENTLY RAISED OVER TECHNICAL QUALITY OF TESTS IN THIS AREA</b></p>		<p>Draft test in Science and Social Studies</p> <p>See above line for tasks related to these tests</p>	<p>See above line for tasks related to these tests</p>	<p>Test 9th graders</p>	<p>Test 9th and 10th graders</p> <p>[Test moves out to test 12th graders by year 2004-05]</p>

To shorten the timeline to implement the exit examination in the year 2001, it would be imperative that there be a fail-safe mechanism to delay the process if technical quality (necessary to withstand legal challenge) cannot be achieved.



# Clearinghouse NOTES

## ASSESSMENT

Education Commission of the States  
707 17th Street, Suite 2700; Denver, CO 80202-3427

303-299-3600 ■ FAX 303-296-8332  
e-mail: [ecs@ecs.org](mailto:ecs@ecs.org); <http://www.ecs.org>

### **States Conducting Student Competency Testing for High School Graduation (Exit Exams)**

**STANDARD DIPLOMA:** Students must pass a test with a minimum score before they're allowed to graduate.

Alabama  
Arkansas (effective 96-97)  
Arizona (essential skills test score recorded on transcript)  
Florida  
Georgia  
Hawaii  
Indiana (unless principal certifies student has met "Core 40" requirements)  
Louisiana  
Maryland  
Massachusetts (must pass proficiencies, but not a single exit exam)  
Mississippi  
Nevada  
New Jersey  
New Mexico (to graduate with a diploma)  
New York  
North Carolina  
Ohio  
South Carolina  
Tennessee  
Texas  
Virginia

**ENDORSED DIPLOMAS:** Students must not only pass an exit test but score at a designated level (higher than the minimum required for regular diploma).

Michigan (optional test for students wanting this level of diploma)  
New York (more rigorous exam than for regular diploma)  
Tennessee

**HONORS DIPLOMAS:** Students must pass a more rigorous test.

New York  
Ohio  
Tennessee

**OTHER VARIATIONS:** Minnesota and Pennsylvania are phasing in graduation proficiencies. Minnesota students graduating in the year 2000 must pass tests in reading, math and writing to meet the requirements of the Minnesota Graduation Rule. Pennsylvania students must achieve 52 state academic performance outcomes plus local outcomes (locally developed assessments).

Sources: Council of Chief State School Officers, North Central Regional Education Laboratory, Education Commission of the States

Education Commission of the States Summary of Exit/Minimum Competency Tests, by State as of March 13, 1997 (available by Internet, <http://www.ecs.org/ecs/23fe.htm>)

State	Exit Test Required for High School Graduation
Alabama	Yes
Alaska	No
Arizona	Reading, Writing, Mathematics, but test not developed
Arkansas	Yes
California	Not at state level; local district designs and administers
Colorado	No
Connecticut	No
Delaware	No - Voluntary test available for "meritorious diploma"
Florida	Yes
Georgia	Yes
Hawaii	Yes (note: Hawaii only has one school district--equivalent to district exit test)
Idaho	No
Illinois	Principles of Declaration of Independence, Constitution and proper display of the Flag
Indiana	Class of 1999-2000 will begin
Iowa	No
Kansas	No
Kentucky	No
Louisiana	Yes
Maine	No
Maryland	Yes, Quiz on Citizenship
Massachusetts	Yes
Michigan	Optional
Minnesota	Reading, Writing and Mathematics
Mississippi	Yes
Missouri	No
Montana	No
Nebraska	No
Nevada	Yes
New Hampshire	Option at the district level
New Jersey	Reading, Writing and Mathematics
New Mexico	Yes
New York	Yes
North Carolina	Yes
North Dakota	No
Ohio	Yes
Oklahoma <sup>1</sup>	No
Oregon	No
Pennsylvania	No
Rhode Island	No
South Carolina	No

<sup>1</sup> Appears to be outdated information, because Oklahoma reported to AKDOE staff that they do

South Dakota	No
Tennessee	Yes, but no passing standards - information only
Texas	No, but exit exams set for four high school courses
Utah	No, but optional course exit exams available
Vermont	SBE is to develop, but not done yet
Virginia	Yes
Washington	No, but will require in 2000, apparently in Reading, Writing and Mathematics
West Virginia	No
Wisconsin	No
Wyoming	No
District of Columbia	No

**Are there states that are assessing knowledge of history as part of an exit examination?**

It would appear that at least seven states include some questions on history or citizenship. Maryland and Illinois report specific examinations. Virginia, Ohio, Oklahoma, Louisiana and Georgia report assessing questions on history as part of a section on citizenship, geography and reference skills (topic areas in Social Studies).

Washington, which is just developing its assessments, has decided to delay or omit developing a test of Social Studies due to the expense of developing a test which addresses the state standards.

**Are individual sub-test scores aggregated to determine whether a student passes the overall examination?**

Yes, up to a point. It appears from at least partial state responses to our survey that states require students to pass all subtests. Where subtests are individually scored, see next question. Where there is only one overall score, the subtests are aggregated to produce the score.

**If a student fails one part of a multi-part exit examination, does s/he have to take the entire test over?**

Eight states responded to a survey on this question. All reported that students were only required to retake a sub-test they had failed.

Students in other states are always given multiple opportunities to pass the exam, usually two times each year, for as long as they are in school, and for as long as five years after they are out of school (one state).

UNIVERSITY OF CALIFORNIA, LOS ANGELES

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SANTA BARBARA • SANTA CRUZ

Center for the Study of Evaluation  
 National Center for Research on Evaluation, Standards, and Student Testing  
 UCLA Graduate School of Education & Information Studies  
 10920 Wilshire Boulevard, Suite 900  
 (310) 206-1532  
 (310) 825-3883 Fax

February 26, 1997

Ms. Shirley Holloway  
 Commissioner of Education  
 State of Alaska  
 810 W. 10th  
 Juneau, Alaska 99801

Dear Commissioner Holloway:

I am responding to a request for information about the experience of our research organization, the National Center for Research on Evaluation, Standards, and Student Testing (CRESST) in reviewing the assessment plans of various states.

When confronting the idea of certification of high school performance, most states plan to involve a range of information rather than base their decision on a single measure. The use of an existing standardized test for this purpose, such as the California Achievement Test (5th Edition), raises a number of difficulties. First, the publisher will doubtless say the test is not intended for this purpose. Secondly, as in the Debra P. case, evidence will be required to demonstrate that the students have had an opportunity to learn the material tested. Both of these conditions will immediately raise the likelihood of court case(s). Third, it is our experience that tests of this type, not designed for certification testing, will not bear the pressures placed upon them for this purpose. Specifically, much attention in preparation may be given to the strategy of test taking itself rather than in focusing on the underlying constructs the test is intended to measure. Last, the use of this test over a long period of time raises questions of test security and ultimately of fairness.

While the goal of the legislation may be laudable, there is the reality of the technical quality of available or new measures to meet this goal. In general, certification testing works best when decisions are made in a subject matter area for which there is an agreed upon course of study, such as in the area of law. It is not yet possible to find an omnibus test to measure the full range of competencies undertaken in high school.

Sincerely,

Eva L. Baker  
 Co-Director, CRESST

20 Ryan Ranch Road  
Monterey, CA 93940-5703

**CTB/McGraw-Hill**

A Division of The McGraw-Hill Companies



February 26, 1997

Dr. Dennis McCrea  
Administrator, Standards & Assessment  
Alaska State Department of Education  
801 West 10<sup>th</sup> Street Suite 200  
Juneau AK 99801

Dear Dr. McCrea:

In response to your questions regarding the use of CTB/McGraw-Hill's CAT/5 Survey assessment as an exit examination for secondary school students:

1. This assessment was not developed with this use in mind or as part of the design specification.
2. CTB would not support this use of the test: the Survey instrument is too short for a high-stakes test at the individual level.

I hope that this information is helpful to you. Please contact me if you have any further questions. My direct line is 408/393-7568, and my Internet address is [mwebb@ctb.com](mailto:mwebb@ctb.com).

Sincerely yours,

Melvin W. Webb II, Ed.D.  
Senior Product Manager  
NRT Materials, Scoring & Reporting

**HB**

**146**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 5/2/97

FURTHER: REF: SFC 5/06/97

DATE TURNED

IN TO OFFICE: 6 May 1997

Finance Committee considered

CS FOR HOUSE BILL NO. 146(FIN)

"An Act relating to competency testing requirements for secondary students; and providing for an effective date."

and recommends:

be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

attached amendment(s)

adopt Letter of Intent by \_\_\_\_\_ Committee

further referral to the \_\_\_\_\_ Committee

**Senate Bill:**

- same title
- new title
- House Bill:**
- same title
- technical change
- new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Rob &amp; Alice</i>	✓		
		<i>Kent Powell</i>	✓		
		<i>Al Calder</i>		X	
		<i>John Brown</i>	✓		
		<i>Wanda Wiley</i>	✓		
Co-Chair: <i>Deanne</i>	✓	Co-Chair:			
Co-Chair: <i>Pat King</i>	✓	Co-Chair:			

need to be amended

**NEW FISCAL NOTE(S):**

Department                      Date    Zero    Fiscal


**PREVIOUS FISCAL NOTE(S):\***

Department                      Date    Zero    Fiscal

Ed/Quality School	4/16/97		490.0

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

Dept. Affected EDUCATION

BRU: Teaching & Learning Support

Title: An Act relating to competency testing  
requirement for secondary students

Sponsor: House HESS Committee

Requestor: \_\_\_\_\_

Components: Quali., Schools

Serial # 2147

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Personal Services	66.0	66.0	66.0	66.0	66.0	66.0
Travel	10.0	10.0	8.0	8.0	8.0	8.0
Contractual	400.0	174.1	174.1	174.1	174.1	174.1
Supplies	4.0	8.4	8.4	8.4	8.4	8.4
Equipment	10.0	5.0	0.0	0.0	10.0	5.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	490.0	263.5	256.5	256.5	266.5	261.5

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

FUNDING: (THOUSANDS OF DOLLARS)

General Fund	490.0	263.5	256.5	256.5	266.5	261.5
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	490.0	263.5	256.5	256.5	266.5	261.5

POSITIONS:

Full-Time	1	0	0	0	0	0
Part-Time	1	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

see attached analysis

Prepared by:

House Finance Committee

Date: 4/16/97

Rep. Mark Hanley, Co-Chair

Phone: 465-4939

Rep. Gene Therriault, Co-Chair

Phone: 465-4797

## Fiscal Note

STATE OF ALASKA  
1997 Legislative Session

Bill No. CS HB 146(FIN)

### Updated Analysis (4/16/97)

This legislation will fiscally impact both the local school districts and the state. Districts will have increased costs in making testing available for students, in providing tracking and remedial assistance, in logistics associated with test security and administration. Other projected costs will include redoing district-level diploma format, providing testing for out-of-school students and loss of revenue due to higher dropout rates, which have been experienced in other states.

Anticipating all of the costs of an exit examination is very complex. Alaska has many unique conditions which make it extremely difficult to accurately predict the costs of developing and maintaining the test. Substantial legal challenges have resulted in establishing a standard which Alaska must meet.

The figures in this fiscal note represent the best information the department can extrapolate from other states and expert advice at this time. It has been adjusted for the numbers of students and other specifics, e.g., Alaska travel costs. The department believes that this is the minimum amount necessary to implement the requirements of this legislation. However, it will be necessary to revise future years as more information is made available.

### Personal Services - \$66.0

This will include funding for a new full-time Education Assistant, Range 11, at \$37.0 and a part-time Administrative Clerk 11, Range 8, for ten months at \$29.0. This staffing level is based up the test being developed entirely by a contractor and the assessment budget, including the one existing assessment staff member being maintained.

### Travel - \$10.0

Travel costs are associated with field testing and training sessions around the state. Field testing is an essential element in establishing the technical quality of all test items. Staff will be required to work with the contractor to establish the field test and be present to work with groups to validate items and establish parameters for testing.

### Contractual - \$400.0

CS HB 146(FIN) will require an exit examination in three areas: reading, language arts and mathematics. Based on testimony, the three subject areas comprise two different test content areas (reading and language arts being developed as one test content area). Estimates of the cost of developing exit examinations in other states range from \$150,000 to \$250,000 per content area. This revised fiscal note is built on the average range of \$200,000 for two test content areas. These funds will cover the cost of developing the test, setting standards, developing scoring protocols, layout, scanning of answer sheets, reports and revision of the test through revision and renorming, equating studies, item bank development, or a combination of these. These costs also include any necessary revision and annual maintenance of the test or scoring. It also includes postage, printing, fax and long distance costs.

### Supplies - \$4.0

Supplies include the purchase of testing materials and office supplies.

### Equipment - \$10.0

These funds will be used to purchase the necessary computer equipment, including a scanner, to handle the data associated with the exit examination. Anticipated upgrade and replacement costs are reflected in future year anticipated costs.

AMENDMENT

TO: CSHB 146(FIN)

*moved* BY ADAMS

*failed 3-4 (Donley, Parnell,  
Sharp, Peacock)*

SENATE FINANCE  
COMMITTEE

Amendment Number: 1

Bill Number: HB 146

Sponsor: Adams, Date: 5/6/97

Logged In By: J. Soltani

1 Page 1, line 1, following "for":

2 Insert "elementary and"

3 Page 1, line 5:

4 Delete "Secondary pupil"

5 Insert "Pupil"

6 Page 1, line 14, following "under"

7 Insert "(a) of"

8 Page 2, following line 4:

9 Insert new subsections to read:

10 "(c) In addition to the exit examination required under (a) of this section, a  
11 local school board shall require that pupils be measured against state performance  
12 standards in the areas of reading, writing, and mathematics at the grade levels  
13 determined by the State Board of Education. The department shall provide sample  
14 examinations which would measure a student's progress toward the competence  
15 tested in the examination required under (a) of this section. A district will use  
16 these or other measures determined by the department to be comparable, and shall  
17 be responsible for scoring and reporting results. Each district shall report its  
18 results in its annual Report Card to the public and submit results annually to the  
19 department.

20 (d) A pupil who fails to demonstrate proficiency on district measures  
21 required under this subsection shall receive remedial instruction in the areas tested.  
22 A district shall develop intervention plans to assist students who require remedial  
23 instruction.

**HB**

**152**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 2, 1997

FURTHER REFERRALS:

Date of Committee Action: 4/16/97 am

The FINANCE Committee considered:

HB 152

HOUSE BILL NO. 152

REGULATION OF HOSPICE CARE

"An Act regulating hospice care."

recommends it be replaced  
with the following committee substitute

CS HB 152 (HCS)

the same title  
 a new title

additional referral to \_\_\_\_\_ Committee

attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_

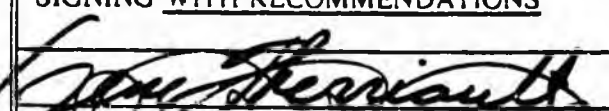



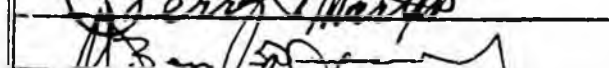
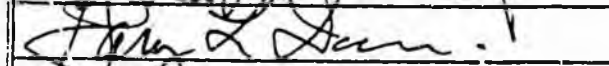

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

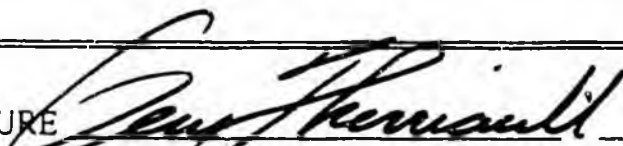
fiscal note(s) DHSS 4/2/97

zero fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
	Therriault			X	
	FOSTER	X			
	KEY			✓	
	Mulder			✓	
	Martin			✓	
	Grussendorf	X			
	Davis			✓	

CO CHAIR'S SIGNATURE

  
Therriault

FISCAL NOTE

No. 1

Bill Version: CSHB 152(HES)

(H) Publish Date: 4/2/97

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
Title: Regulating Hospice Care  
Sponsor: Ryan  
Requestor: House HESS

Dept. Affected: Health and Social Services  
BRU: Medical Assistance Admin  
Component: Certification & Licensing  
COMPONENT SERIAL NO. 245  
See also (SN#): \_\_\_\_\_

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL	7.5	8.9	10.4	12.0	13.7	15.4
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	7.5	8.9	10.4	12.0	13.7	15.4

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGES IN REVENUES						
---------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY98	FY99	FY00	FY01	FY02	FY03
1002 Federal Receipts						
1003 GF Match						
1004 GF	7.5	8.9	10.4	12.0	13.7	15.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	7.5	8.9	10.4	12.0	13.7	15.4

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

Bill 96 would require licensure of 6 new hospice facilities outside of Anchorage. These travel costs were arrived at by using FY97 calculations for travel for one surveyor to travel for a 4 day survey to each of these agencies. Additionally, it is expected at least one new initial survey would be expected each year at a cost of about \$1,000.00 each. Also, anticipating the increased cost of travel, lodging and car rental we added 5% per year.

Prepared by: Shelbert Larsen  
Division: Medical Assistance  
Approved by Commissioner: Karen Peddic  
Department of Health & Social Services

Phone: (907)561-8081  
Date: 02/25/97  
Date: 3/5/97

Approved by Commissioner:  
**COMMITTEE COPY**

# Alaska State Legislature

## House of Representatives

### COMMITTEE ASSIGNMENTS:

LABOR & COMMERCE  
MILITARY & VETERANS AFFAIRS  
COMMUNITY & REGIONAL AFFAIRS  
OIL & GAS



**Representative Joe Ryan**

1 800-922-3875 <http://www.akrepublicans.org>

### INTERIM:

716 W. 4TH AVE.  
ANCHORAGE, AK 99501  
PHONE (907) 258-8161

### SESSION:

STATE CAPITOL  
ROOM 420  
JUNEAU, AK 99801-1182  
PHONE (907) 465-3875

### **CS FOR House Bill NO. 152 (HES) SPONSOR STATEMENT**

CS For House Bill 152 (HES) will provide for licensing of hospice care programs in Alaska, ensuring that terminally ill persons receive comfort, support, and care consistent with hospice philosophy and concepts through a uniform level of services. There is no federal regulation or licensing requirements for either certified or volunteer hospice programs. As of the January 1997, forty (40) states are licensing or regulating hospice programs. Of the ten (10) states without hospice licensing, five (5) have laws or regulations pending. The licensing and appropriate regulation of volunteer and certified hospice programs in Alaska will assure consumers of consistent standards in the delivery of hospice services.

Hospice is a unique component of the health care delivery system, one that has evolved over the past 20 years in the United States. Hospice provides care and support for people with terminal illness. The goal of hospice care is to enable patients to live an alert, pain-free life and to manage symptoms so the last weeks and months of life may be spent in dignity and peace. One out of every three people who die of cancer or AIDS in this country are served by a hospice program.

Annual growth in hospice programs averaged about eight per cent (8%) in the early '90s. In the last five (5) years growth has averaged seventeen per cent (17%). Hospice services are provided through a variety of means, including independent community-based organizations, divisions of hospitals or home-health services, and government agencies. Rapid growth of hospice programs is due to increased demand for home care services, the desire of terminally ill persons to keep control over the remainder of their lives, and a trend towards reimbursement for home-care services. *Consumers need to be aware of specific characteristics that differentiate hospice from other health care providers. Hospice offers comfort and care, not curative treatment.* Hospice addresses emotional, spiritual, and social needs in addition to physical needs. Hospice considers the patient and loved ones as the unit of care. *Hospice affirms life and regards dying as a normal process, seeking neither to hasten nor postpone death.* Hospice care extends beyond a patient's death to include bereavement care for grieving family members.

Page 2, Sponsor Statement on CS For House Bill 152 (HES)

Fear of painful suffering, of abandonment, and of losing control are primary concerns of people experiencing terminal illness. Hospice care is designed to address these concerns by providing support, care, and needed services to help the terminally ill *live their lives in maximal comfort and control.*

Passage of CS For House Bill 152 will standardize hospice care and guarantee the Alaskan public the opportunity to access quality hospice care from both volunteer and certified hospice programs.

(revised April 3, 1997)

# Alaska State Legislature

## House of Representatives

### COMMITTEE ASSIGNMENTS:

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**Representative Joe Ryan**

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ROOM 420  
JUNEAU, AK 99801-1182  
PHONE (907) 465-3875

## MEMORANDUM

**TO:** Rep. Mark Hanley, Co-Chairman  
Rep. Gene Therriault, Co-Chairman  
House Finance Committee

**FROM:** Rep. Joe Ryan

**DATE:** April 3, 1997

**IN RE:** revised sectional analysis of CS For HB 152 (HES)

A revised summary by section of CS For HB 152 (HES) follows. This bill adds a new chapter, entitled Hospice Care Programs, to Title 18 of Alaska Statutes.

Please note that a sectional analysis is not generally considered to be the most authoritative interpretation of a bill; the bill itself is the best statement of its purposes and effects.

Section 1 remains CS For HB 152 only section. It adds Chapter 18 to Title 18 of Alaska Statutes. Chapter 18 contains three articles, the first of which sets out standards for certified, professional hospice programs. Article II establishes a shorter set of standards for volunteer hospice programs. Article III clarifies individual licensing requirements and defines a number of terms germane to the regulation of hospice care. An analysis of each of these three articles follows.

*1. Article 1* sets out parameters for licensing certified hospice programs and mandates that all hospice programs must be licensed to operate in Alaska. It enables the Department of Health & Social Services (DH&SS) to issue licenses, temporary licenses, and provisional licenses, and to deny, suspend, and revoke such licenses.

*Article 1* specifies procedures for license applications, hearings, and modifications of license status, and gives DH&SS the right to enter hospice facilities, to inspect documents and premises.

Page two, CS For HB 152 (HES), April 3, 1997.

*Article 1* continues by requiring specific regulations a hospice program must meet in order to be licensed, including a mission statement, a governing body, admission criteria, a program director, an interdisciplinary team, volunteers, and a medical director. It requires a hospice program to follow admission criteria for potential clients. It mandates that services be provided in accordance with a care plan, and lists services for the interdisciplinary team to consider when crafting a care plan. It states that nursing services must be provided only under a nurse supervisor.

*Article 1* ensures that direct service providers will go through orientation before providing hospice services, that they will complete an educational overview of hospice philosophy and care, and that they will then receive continuing education or in-service training over time. It further requires a minimum level of record-keeping and written policies and procedures.

*Article 1* necessitates provision of information about 'living wills' and 'durable health care powers of attorney' to hospice clients. It also provides for quality assurance and improvement planning for certified hospice programs.

2. *Article 2* establishes standards for volunteer hospice programs, citing the specific elements of Article 1 that constitute the licensing framework for volunteer operations. These include the first four (4) sections of Article 1 that govern licensing and the licensing process, and specified parts of AS 18.18.100. It requires volunteer hospice programs to have a minimum structure that includes a mission statement, admission criteria, a director, and volunteers.

*Article 2* applies the same standards regarding client consent and use of admission criteria to volunteer hospice programs as to certified ones. It calls for volunteer direct service providers to get four (4) hours of hospice service orientation. It mandates minimum record-keeping and written policies and procedures for volunteer hospice organizations, specifically volunteer policies and procedures. It necessitates provision of information about living wills and durable health care powers of attorney to volunteer hospice clients. Finally, it standardizes the co-ordination of volunteers.

3. *Article 3* specifies that certified or volunteer hospice program licensing does not remove or mitigate individual licensing requirements from any employee, volunteer, or contractor working with a hospice program. It allows for civil penalties for violations of Chapter 18. It makes the licensing process and regulations subject to the Administrative Procedures Act. Finally, *Article 3* defines numerous terms used throughout the bill.

FISCAL NOTE

No. 1  
 Bill Version: CSHB 152(HES)  
 (H) Publish Date: 4/2/97

STATE OF ALASKA  
 1997 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: Regulating Hospice Care  
 Sponsor: Ryan  
 Requestor: House HESS

Dept. Affected: Health and Social Services  
 BRU: Medical Assistance Admin  
 Component: Certification & Licensing  
 COMPONENT SERIAL NO. 245  
 See also (SN#): \_\_\_\_\_

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL	7.5	8.9	10.4	12.0	13.7	15.4
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	7.5	8.9	10.4	12.0	13.7	15.4

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ( )						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	7.5	8.9	10.4	12.0	13.7	15.4
1005 GF Program Receipts						
1037 GF Mental Health						
Other (please specify)						
TOTAL	7.5	8.9	10.4	12.0	13.7	15.4

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

Bill 96 would require licensure of 6 new hospice facilities outside of Anchorage. These travel costs were arrived at by using FY97 calculations for travel for one surveyor to travel for a 4 day survey to each of these agencies. Additionally, it is expected at least one new initial survey would be expected each year at a cost of about \$1,000.00 each. Also, anticipating the increased cost of travel, lodging and car rental we added 5% per year.

Prepared by: Shelbert Larsen *RL*  
 Division: Medical Assistance

Phone: (907)561-8081  
 Date: 02/25/97

Approved by Commissioner:  
**COMMITTEE COPY**

*[Signature]*  
 Karen Perdue, Commissioner  
 Department of Health & Social Services

Date: 3/5/97

**HB**

**152**

SFIN

FILE

# SENATE COMMITTEE REPORT

REPORTED OUT OF  
SFC 4-30-97

DATE: 4/28/97

FURTHER:

*has no further*

DATE TURNED  
IN TO OFFICE:

4-30-97

Finance Committee considered CS FOR HOUSE BILL NO. 152(HES)

"An Act regulating hospice care."

*PHF*

and recommends:

- be replaced with SCS CS HB 152 (FIN)
- adopt previous CS ( )
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical change
  - new: SCR# 15

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Roll E (Roll)</i>	✓	<i>Alan Harnell</i>	✓		
<i>John C. ...</i>	✓	<i>David ...</i>	✓		
<i>John ...</i>	✓				
<b>CHAIR:</b> <i>Bo ...</i>	✓	<b>CHAIR:</b> <i>Pearce</i>	✓		

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
DHSS	3/5		7.5

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

REPORTED OUT OF  
SFD 4-30-97

Pamell moved w/ind rec.  
no obj - R/O

0-LS0649P

Danley moved Adopt SCS  
Adams obj - W/D  
Adopted

SENATE CS FOR CS FOR HOUSE BILL NO. 152(FIN)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES RYAN, Croft

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to hospice care."

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

3 \* Section 1. AS 18 is amended by adding a new chapter to read:

4 Chapter 18. Hospice Care Programs.

5 Article 1. Licensing of Hospice Programs.

6 Sec. 18.18.005. Policy declaration. It is the policy of the state that regulation  
7 of hospice programs should ensure an appropriate standard of care for hospice clients  
8 without unduly burdening the programs with requirements that consume staff time and  
9 financial resources that are essential for the delivery of services to hospice clients. In  
10 furtherance of this policy, this chapter establishes two sets of standards for hospice  
11 programs that recognize the more limited staff time and financial resources available  
12 to voluntary hospice programs while requiring all programs to comply with basic  
13 minimum program standards.

14 Sec. 18.18.010. License required. A person, including a partnership,  
15 association, or corporation, may not represent itself as a hospice program or operate

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

FISCAL NOTE

REPORTED OUT OF  
SFG 4-30-97

No. 1  
Bill Version: CSHB 152(HES)  
(H) Publish Date: 4/2/97

Revision Date: \_\_\_\_\_ Dept. Affected: Health and Social Services  
 Title: Regulating Hospice Care BRU: Medical Assistance Admin  
 Sponsor: Ryan Component: Certification & Licensing  
 Requestor: House HESS COMPONENT SERIAL NO. 245  
 See also (SN#): \_\_\_\_\_

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL	7.5	8.9	10.4	12.0	13.7	15.4
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	7.5	8.9	10.4	12.0	13.7	15.4

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ( )						
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY98	FY99	FY00	FY01	FY02	FY03
1002 Federal Receipts						
1003 GF Match						
1004 GF	7.5	8.9	10.4	12.0	13.7	15.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
TOTAL	7.5	8.9	10.4	12.0	13.7	15.4

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

Bill 96 would require licensure of 6 new hospice facilities outside of Anchorage. These travel costs were arrived at by using FY97 calculations for travel for one surveyor to travel for a 4 day survey to each of these agencies. Additionally, it is expected at least one new initial survey would be expected each year at a cost of about \$1,000.00 each. Also, anticipating the increased cost of travel, lodging and car rental we added 5% per year.

Prepared by: Shelbet Larsen *R.L.*  
 Division: Medical Assistance

Phone: (907)561-8081  
 Date: 02/25/97

Approved by Commissioner: Karen Perdue  
**COMMITTEE COPY** Department of Health & Social Services

Date: 3/5/97

SENATE CONCURRENT RESOLUTION NO.  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

introduced:  
Referred:

A RESOLUTION

1 Suspending Uniform Rules 24(c), 35, 41(b), and 42(e) of the Alaska State  
2 Legislature concerning House Bill No. 152, relating to hospice care.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 That under Rule 54 of the Uniform Rules of the Alaska State Legislature, the  
5 provisions of Rules 24(c), 35, 41(b), and 42(e) of the Uniform Rules, regarding changes to the  
6 title of a bill, are suspended in consideration of House Bill No. 152, relating to hospice care.

**HB**

**153**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 11, 1997

FURTHER REFERRALS:

Date of Committee Action: 4/21/97

The FINANCE Committee considered:

HB 153

HOUSE BILL NO. 153

ALIENS AND ASSISTANCE PROGRAMS

"An Act relating to the eligibility of aliens for state public assistance and medical assistance programs affected by federal welfare reform legislation; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 153 (FIN)  the same title  a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Depts) APPROVES PREVIOUS: (Depts/Date)

fiscal note(s) \_\_\_\_\_ 3  fiscal note(s) DHSS 2/24/97

zero fiscal note(s) \_\_\_\_\_ 2  zero fiscal note(s) DHSS 2/24/97

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Care Therriault</i>	Therriault	X			
<i>Mark Hanley</i>	Hanley	X			
<i>G. Kelly</i>	Kelly	✓			
<i>Colin Muder</i>	MUDER	X			
<i>Christine Kohring</i>	Kohring	X			
<i>John J. Davies</i>	J. Davies	X			
<i>Ben Grussendorf</i>	Grussendorf	X			
<i>Paul Moses</i>	Moses	X			
<i>John G. Davis</i>	G. Davis	X			
<i>John Foster</i>	FOSTER	X			

CO-CHAIR'S SIGNATURE

*Care Therriault* *Mark Hanley*  
 Therriault Hanley

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

FISCAL YEAR

Bill Version: HB 153  
(H) Publish Date: 2/24/97

Revision Date: \_\_\_\_\_  
Title: An Act relating to the eligibility of aliens for state public assistance and medical assistance programs  
Sponsor: Rules Committee  
Requestor: GOVERNOR

Dept. Affected: Health and Social Services  
BRU: Public Assistance  
Component: PFD Hold Harmless  
COMPONENT SERIAL NO. 225  
See also (SN#): \_\_\_\_\_

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(37.3)	(69.2)	(96.2)	(119.0)	(138.4)	(138.4)
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>(37.3)</b>	<b>(69.2)</b>	<b>(96.2)</b>	<b>(119.0)</b>	<b>(138.4)</b>	<b>(138.4)</b>

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ( )						
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY98	FY99	FY00	FY01	FY02	FY03
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1050 PFD Funds	(37.3)	(69.2)	(96.2)	(119.0)	(138.4)	(138.4)
<b>TOTAL</b>	<b>(37.3)</b>	<b>(69.2)</b>	<b>(96.2)</b>	<b>(119.0)</b>	<b>(138.4)</b>	<b>(138.4)</b>

POSITIONS:

POSITIONS	FY98	FY99	FY00	FY01	FY02	FY03
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

PFD Hold Harmless payments replace ATAP benefits when receiving the dividend causes individuals to lose eligibility or have benefits reduced. The savings to the ATAP program provided for in this bill reduce costs in the ATAP component of the Public Assistance BRU. PFD Hold Harmless costs or ATAP benefits will decrease in direct proportion to the decreases produced by reductions in ATAP expenditures for each fiscal year.

Prepared by: Jim Nordlund, Director Phone: 469-2680  
Division: Public Assistance Date: 02/03/97  
Approved by Commissioner: Karen Perdue, Commissioner Date: 2/5/97  
Agency: Department of Health & Social Services

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**ANALYSIS (cont.):****Assumptions:**

Legislation implemented July 1, 1997

PFD Hold Harmless costs for ATAP benefits will decrease in direct proportion to the decreases produced by this legislation.

**Calculations:**

FY 97	\$0.0
FY 98	(\$37.3)
FY99	(\$69.2)
FY00	(\$96.2)
FY01	(\$119.0)
FY02	(\$138.4)
FY03	(\$138.4)

FISCAL NOTE

No. 4

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

Bill Version: HB 153  
(H) Publish Date: 2/24/97

Revision Date: \_\_\_\_\_  
Title: An Act relating to the eligibility of aliens for state public assistance and medical assistance programs  
Sponsor: Rules Committee  
Requestor: Governor

Dept. Affected: Health and Social Services  
BRU: Public Assistance  
Component: Adult Public Assistance  
COMPONENT SERIAL NO. 222  
See also (SN#): \_\_\_\_\_

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(158.0)	(304.2)	(444.6)	(577.2)	(705.9)	(705.9)
MISCELLANEOUS						
TOTAL OPERATING	(158.0)	(304.2)	(444.6)	(577.2)	(705.9)	(705.9)

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES ( )						
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FUND SOURCE

(Thousands of Dollars)

002 Federal Receipts						
003 GF Match						
004 GF	(158.0)	(304.2)	(444.6)	(577.2)	(705.9)	(705.9)
005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1007 I/A Receipts						
TOTAL	(158.0)	(304.2)	(444.6)	(577.2)	(705.9)	(705.9)

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

This legislation provides that most legal immigrants who arrived in the U.S. before August 22, 1996 will remain eligible for Adult Public Assistance (APA) benefits. This legislation prohibits APA benefits to most legal immigrants who arrive on or after August 22, 1996 for five years from their date of arrival into the U.S. The program savings generated by this legislation represent caseload decreases due to attrition. These caseload decreases are not offset by newly eligible immigrants because most new immigrants are barred from program participation for five years after their date of entry.

*[Handwritten Signature]*

Prepared by: Jim Nordlund, Director  
Division: Public Assistance  
Approved by Commissioner: Karen Perdue, Commissioner  
Agency: Department of Health & Social Services

Phone: 465-2680  
Date: 02/03/97  
Date: 2/5/97

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**ANALYSIS (cont.):****Assumptions:**

Legislation implemented July 1, 1997

Caseload will decrease each year from FY98 to FY02 by 5 percent due to normal attrition.

Caseload remains constant after FY02 due to new immigrants becoming eligible after the five year bar.

**Calculations:**

Fiscal Year	# Persons Affected	Annual Savings
FY97	0	\$0.0
FY98	40	(\$156.0)
FY99	78	(\$304.2)
FY00	114	(\$444.6)
FY01	148	(\$577.2)
FY02	181	(\$705.9)
FY03	181	(\$705.9)

# FISCAL NOTE

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

Bill Version: HB 153  
 (H) Publish Date: 2/24/97

Revision Date: \_\_\_\_\_  
 Title: An Act relating to eligibility of aliens for state  
public assistance and medical assistance programs  
 Sponsor: Rules Committee  
 Requestor: Governor

Dept. Affected: Health and Social Services  
 BRU: Public Assistance  
 Component: ATAP  
 COMPONENT SERIAL NO. 220  
 See also (SN#): \_\_\_\_\_

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(405.9)	(752.4)	(1,046.1)	(1,293.8)	(1,504.8)	(1,504.8)
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>(405.9)</b>	<b>(752.4)</b>	<b>(1,046.1)</b>	<b>(1,293.8)</b>	<b>(1,504.8)</b>	<b>(1,504.8)</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGES IN REVENUES</b> ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(368.8)	(683.2)	(949.9)	(1,174.6)	(1,366.4)	(1,366.4)
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1007 I/A Receipts	(37.3)	(69.2)	(96.2)	(119.0)	(138.4)	(138.4)
<b>TOTAL</b>	<b>(405.9)</b>	<b>(752.4)</b>	<b>(1,046.1)</b>	<b>(1,293.8)</b>	<b>(1,504.8)</b>	<b>(1,504.8)</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: \$0.0

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

This legislation provides that most legal immigrants who arrived in the U.S. before August 22, 1996 will remain eligible for Alaska Temporary Assistance (ATAP) benefits. This legislation prohibits ATAP benefits to most legal immigrants who arrive on or after August 22, 1996 for five years from their date of arrival into the U.S. The program savings generated by this legislation represent caseload decreases due to attrition. These caseload decreases are not offset by newly eligible immigrants because most new immigrants are barred from program participation for five years after their date of entry.

Prepared by: Jim Nordlund, Director Phone: 465-2680  
 Division: Public Assistance Date: 02/03/97  
 Approved by Commissioner: Karen Perdue, Commissioner Date: 2/5/97  
 Agency: Department of Health & Social Services

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**ANALYSIS (cont.):****Assumptions:**

Legislation implemented July 1, 1997

Caseload will decrease each year from FY98 to FY02 by 15 percent due to normal attrition.

Caseload remains constant after FY02 due to new immigrants becoming eligible after the five-year bar.

**Calculations:**

Fiscal Year	# Persons Affected	Annual Savings
FY97	0	\$0.0
FY98	123	(\$405.9)
FY99	228	(\$752.4)
FY00	317	(\$1,048.1)
FY01	392	(\$1,293.6)
FY02	438	(\$1,504.8)
FY03	456	(\$1,504.8)

**FISCAL NOTE**

**STATE OF ALASKA  
1997 LEGISLATIVE SESSION**

Bill Version: HB 153  
(H) Publish Date: 2/24/97

Revision Date: \_\_\_\_\_  
Title: An Act relating to the eligibility of aliens for state public assistance and medical assistance programs affected by federal welfare ...  
Sponsor: Rules Committee  
Requestor: Governor

Dept. Affected: Health and Social Services  
BRU: Medical Assistance  
Component: Medicaid Non-Facility  
COMPONENT SERIAL NO. 229  
See also (SN#): 230

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGES IN REVENUES</b>						
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (please specify)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY97) cost: 10.0

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

Historically, Medicaid covered legal resident aliens who met all other Medicaid eligibility criteria. As a result of federal welfare reform, Alaska Medicaid cannot continue to cover most aliens without this legislation. Even with legislation, most aliens who arrive in the country after August 22, 1996 are ineligible for Medicaid for their first five years in the U.S. This bill provides the Alaska program with the authority to continue Medicaid coverage for qualified legal aliens who are not subject to the five-year bar. Funding for the coverage of these aliens is already included in the Medicaid budget. Therefore, there is no net cost to continuing this coverage.

Failure to extend Medicaid coverage for aliens would result in a loss of Medicaid eligibility for some aliens. However, aliens who do not qualify for full Medicaid coverage are eligible for Medicaid coverage of emergency medical treatment. In addition, aliens needing non-emergency hospitalization, nursing home services, or prescription drugs for certain chronic conditions may be eligible for the General Relief Medical program. See the following page for additional information about the impacts of not passing this legislation.

Prepared by: Jon Sherwood  
Division: Division of Medical Assistance  
Approved by Commissioner: Karen Perdue, Commissioner  
Agency: Department of Health & Social Services

Phone: 465-3355  
Date: 02/03/97  
Date: 2/5/97

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**ANALYSIS (cont.):**

In FY 96, the Alaska Medicaid program spend almost \$5.2 million providing Medicaid services to aliens; one-half of that amount was state General Funds. The Division of Medical Assistance estimates that one-quarter of those aliens age 65 and over and 15 percent of aliens under age 65 fall into an immigration status that federal law requires states to cover.

In addition, the Division estimates that for the remaining aliens, one-half of all hospital and transportation services and 10 percent of all physician services received would still be provided under Medicaid coverage of emergency medical treatment for aliens.

Furthermore, some aliens would be eligible for coverage of inpatient hospital, nursing facility services, physician services, transportation services, and prescription drugs for certain chronic conditions under the General Relief Medical program. The Division estimates that one half of these services not covered under Medicaid emergency medical treatment would be covered under GRM. Hospital and nursing facility services are reimbursed at 28 percent of Medicaid rates. Other GRM services are reimbursed at 100 percent of Medicaid rates.

Eliminating Medicaid coverage of qualified aliens would result an annual change to the Medicaid and GRM program shown below. Because of the administrative timeframes in terminating Medicaid coverage, the Division estimates that the impact in FY 98 would be one-half the amount shown below.

**Discontinuing Medicaid Coverage of Qualified Aliens**  
(thousands of dollars)

	<u>Total Funds</u>	<u>General Funds</u>
FY 96 Medicaid - Aliens	\$ 5,171.3	\$ 2,585.7
Mandatory Coverage - Aliens	\$ 972.6	\$ 486.3
Emergency Coverage - Aliens	<u>\$ 637.5</u>	<u>\$ 418.8</u>
Net Savings to Medicaid	\$ 3,361.2	\$ 1,680.6
Cost Shift to GRM	<u>\$ 921.9</u>	<u>\$ 921.9</u>
Annual Reduction in Spending	<u>\$ 2,439.3</u>	<u>\$ 758.7</u>
First Year Reduction (one-half year)	\$ 1,219.7	\$ 379.4

Note: Federal welfare reform legislation prevents most newly arrived immigrants from receiving Medicaid for their first five years in the country. As a result, Medicaid should experience a small caseload decline and, adjusting for a shift in expenditures to emergency medical services and GRM, some modest savings. This savings is not shown in this fiscal note as it will occur with or without this legislation.

# STATE OF ALASKA

**DEPT. OF HEALTH AND SOCIAL SERVICES**

*OFFICE OF THE COMMISSIONER*

**TONY KNOWLES, GOVERNOR**

P.O. BOX 110601  
JUNEAU, ALASKA 99811-0601  
PHONE: (907) 465-3030  
FAX: (907) 465-3068

April 14, 1997

Honorable Gene Therriault  
Co-Chairman  
House Finance Committee  
Alaska State House of Representatives  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Therriault,

The Department of Health and Social Services respectfully requests a hearing in the House Finance Committee on HB 153, "An Act relating to the eligibility of aliens for state public assistance and medical assistance programs affected by federal welfare reform legislation; and providing for an effective date."

House Bill 153 moved from the House Health, Education and Social Services Committee this past week.

The state welfare reform legislation enacted last session was silent on the issue of eligibility of legal immigrants for public assistance and Medicaid. This legislation is necessary to clarify the state's policies in this regard in light of the new federal legislation.

The bill provides for continued eligibility for legal immigrants who were in the country prior to the August, 1996 effective date of the federal legislation.

Your favorable consideration of this request will be most appreciated.

Sincerely,



Elmer A. Lindstrom  
Special Assistant to the Commissioner

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

P.O. BOX 110601  
JUNEAU, ALASKA 99811-0601  
PHONE: (907) 465 3030  
FAX: (907) 465-3068

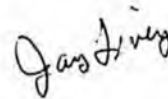
April 18, 1997

The Honorable Mark Hanley  
Alaska State House of Representatives  
Room 507 Capitol Building  
Juneau, Alaska 99801

Dear Representative Hanley;

The attached pages will provide you with some additional information concerning the effects of HB 153 and our analysis of the fiscal impact of this bills passing, or not passing, across all affected components. The net additional costs or savings is indicated for both General Fund and total funds.

Sincerely,



Jay Livey  
Deputy Commissioner

cc Annalee McConnell, OMB

## Introduction

HB 153 and SB102 propose changes to State law regarding the eligibility of legal immigrants for the Alaska Temporary Assistance Program, Medicaid, and the Adult Public Assistance program. These bills extend eligibility for these programs to all legal immigrants who were in the country as of August 22, 1996 (the date of passage of Federal Welfare Reform). Most legal immigrants arriving after August 22, 1996 would be barred from the programs for five years after their date of arrival. The following is an assessment of the impact if neither of these bills passes.

### Alaska Temporary Assistance Program (ATAP)

Approximately 820 legal immigrants currently qualify for ATAP benefits. If neither of these bills were to pass, legal immigrants would be eligible for ATAP regardless of their date of arrival as long as they continued to meet all other eligibility criteria. This is because eligibility criteria in statute for ATAP do not currently contain any exclusion for legal immigrants. However, because of changes in federal law, legal aliens arriving after August 22, 1996 are subject to a 5-year bar on federally funded assistance. These immigrants would, therefore, be paid with General Funds during their first five years in the country.

#### Assumptions:

- Each year, approximately 145 legal immigrants who arrive in the country will qualify for ATAP benefits and the number of immigrant recipients from previous years will decrease by 15 percent because of normal attrition. The net result of these factors and the anticipated effects of welfare reform will be zero net growth in the number legal immigrant cases over the period.
- The ratio of GF to Federal expenditures remains constant after FY02 because new immigrants become eligible after the five-year federal bar.

### Adult Public Assistance (APA)

Approximately 800 legal immigrants currently qualify for APA. If neither HB 153 nor SB 102 pass, legal immigrants will be eligible for APA benefits regardless of their date of arrival as long as they continue to meet all other eligibility criteria. This is because Alaska Statutes do not currently exclude legal immigrants from this program. APA is a general fund only program, so no costs shift to the state if HB 153 or SB 102 do not pass.

#### Assumption:

- Caseloads will increase by 5 percent each year.

### Medicaid and General Relief Medical

If neither HB 153 or SB 102 passes this session, the state would stop providing regular Medicaid coverage to most legal immigrants. Some legal immigrants would remain eligible for Medicaid because they fall into mandatory coverage groups, like veterans and refugees. All immigrants remain eligible for Medicaid payment for emergency medical treatment.

Some immigrants would also qualify for the state's General Relief Medical program which pays for a very limited range of intensive services for the very poorest Alaskans. Therefore, while failing to pass HB 153 or SB 102 would produce some savings to the Medicaid program, significant amounts of funds would still be spent on legal immigrants through the Medicaid and GRM programs. The majority of these funds would be spent on intensive acute care services.

#### Assumptions:

- The Division of Medical Assistance estimates that one-quarter of those aliens age 65 and over and 15 percent of aliens under age 65 fall into an immigration status that federal law requires states to cover.
- The Division estimates that for the remaining aliens, one-half of all hospital and transportation services and 10 percent of all physician services received would still be provided under Medicaid coverage for emergency medical treatment for aliens.
- Some aliens would be eligible for coverage of inpatient hospital, nursing facility services, physician services, transportation services, and prescription drugs for certain chronic conditions under the General Relief Medical program. The Division estimates that one half of these services that are not covered under Medicaid emergency medical treatment would be covered under GRM. Hospital and nursing facility services are reimbursed at 28 percent of Medicaid rates. Other GRM services are reimbursed at 100 percent of Medicaid rates.
- Due to the timing of termination of coverage for immigrants and the time lag in billings for services already provided, the impact to the FY 98 budget would be only 50 percent of the annual impact of these coverage changes.

Analysis of Costs/Savings with and without passage of HB 153 and/or SB 102

**General Funds**

(additional cost or savings calculated from FY98 Governor's Request)

	FY98	FY99	FY00	FY01	FY02	Net GF. . .
<b><u>With Bill</u></b>						
Adult Public Assistance	(156.0)	(304.2)	(446.6)	(577.2)	(705.9)	Savings
ATAP	(368.6)	(683.2)	(949.9)	(1,174.6)	(1,366.4)	Savings
Medicaid	-	-	-	-	-	N/A
<b>Net Effect</b>	<b>(524.6)</b>	<b>(987.4)</b>	<b>(1,396.5)</b>	<b>(1,751.8)</b>	<b>(2,072.3)</b>	<b>Savings</b>
<b><u>Without Bill</u></b>						
Adult Public Assistance	-	156.0	319.8	491.8	672.4	Cost
ATAP	203.0	376.2	523.1	646.8	752.4	Cost
Medicaid	(379.3)	(758.7)	(758.7)	(758.7)	(758.7)	Savings
<b>Net Effect</b>	<b>(176.3)</b>	<b>(226.5)</b>	<b>84.2</b>	<b>379.9</b>	<b>666.1</b>	<b>Cost after FY99</b>

Analysis of Costs/Savings with and without passage of HB 153 and/or SB 102

**Total Funds**

(additional cost or savings calculated from FY98 Governor's Request)

	FY98	FY99	FY00	FY01	FY02	Net GF. . .
<b><u>With Bill</u></b>						
Adult Public Assistance	(156.0)	(304.2)	(446.6)	(577.2)	(705.9)	Savings
ATAP	(405.9)	(752.4)	(1,046.1)	(1,293.6)	(1,504.8)	Savings
Medicaid	-	-	-	-	-	N/A
<b>Net Effect</b>	<b><u>(561.9)</u></b>	<b><u>(1,056.6)</u></b>	<b><u>(1,492.7)</u></b>	<b><u>(1,870.8)</u></b>	<b><u>(2,210.7)</u></b>	Savings
<b><u>Without Bill</u></b>						
Adult Public Assistance	-	156.0	319.8	491.8	672.4	Cost
ATAP	-	-	-	-	-	Cost
Medicaid	<u>(1,219.7)</u>	<u>(2,439.3)</u>	<u>(2,439.3)</u>	<u>(2,439.3)</u>	<u>(2,439.3)</u>	Savings
<b>Net Effect</b>	<b><u>(1,219.7)</u></b>	<b><u>(2,283.3)</u></b>	<b><u>(2,119.5)</u></b>	<b><u>(1,947.5)</u></b>	<b><u>(1,766.9)</u></b>	Cost after FY99