

450

HHESS

HB 913

-

HB 952

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B - JUNEAU 99811

May 11, 1978

The Honorable Charles Parr
Chairman, House Health, Education
& Social Services
Pouch V
Juneau, AK 99811

Dear Representative Parr:

It is the Department's opinion that HB 913 will accomplish two things:

1. HB 913 will make the promulgation of regulations for the Day Care Assistance Program mandatory rather than permissive.

The Department has no objection to this change since regulations have already been drafted and should be set in place by this summer. Public input concerning changes will be open through July 31. However, we feel this change is purely academic as regulations are already being written.

2. HB 913 will severely impair the Department's ability to ensure competent administration by a subcontractor on the local level.

The Department is opposed to this change. While the Statutes (AS 44.47.250 - 310) require the Department to administer the Day Care Assistance Program, HB 913 would severely impair our ability to do so. To administer the program adequately, we feel the Department must have the authority to ensure that the Day Care Assistance Program administrator, whether subcontracted or not, has the ability to serve the clientele effectively. In addition, certain minimum performance standards, as set forth in our proposed Day Care Assistance Program regulations, are necessary to best serve families in need of assistance, such as the accessibility of the administrator to the public. (If the committee feels that the \$100,000 minimum grant clause for authority to subcontract is inappropriate, the Department will delete this from the proposed regulations in line with your recommendations).

Since the Day Care Assistance Program benefits low-income parents, we are very concerned that poor administration of the Day Care Assistance

May 11, 1978

Program would affect the parents receiving this assistance. We have found this to be the case in the past when subcontractors have not administered the program in an acceptable manner. We have also found that contractors rely heavily on the Department to train the subcontractor and monitor the program, and the contractor does very little, if anything, of this nature.

Due to the above stated reasons, the Department opposes this bill.

Sincerely,



for Lee McAnerney
Commissioner

[Faint, illegible text and circular stamp at the bottom of the page]

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

DIVISION OF COMMUNITY &
RURAL DEVELOPMENT

519 Warehouse Ave., Suite 230
Anchorage, Alaska 99501

April 24, 1978

The Honorable Charles H. Parr
House of Representatives
Pouch "V"
Juneau, Alaska 99811

Dear Representative Parr:

Under the provisions of Chapter 2, AS 44.62.190 (a), we are pleased to provide you with the enclosed copy of our proposed regulations for the Day Care Assistance Program and the Child Care Revolving Loan Fund.

Public comments are being solicited and any comments received prior to 4:30 p.m. on July 31, 1978 will be taken into consideration prior to adoption of these proposed regulations.

Sincerely,



Eric Lee
Director

EL/dt

Enclosure



Ombudsman

Frank Flavin

State of Alaska
360 "K" Street, Room 246
Anchorage, Alaska 99501

(907) 276-4011

Rep. Charlie Parr
Pouch V
Juneau, Alaska 99811

Dear Charlie,

As per your request, please find the enclosed copy of both our recommendations and findings to the Department of Community and Regional Affairs regarding the Day Care contract in regards to the complaint filed in our office by Dr. Frank Gold.

We have also included the agency's official response as well as two follow-up memos from Division Director Eric Lee regarding implementation of the Ombudsman recommendations.

Please let us know if we can be of further assistance.

Sincerely,

Frank Flavin
Ombudsman

ca/ff

4-3-78

Rocky -

1) Also call Frank Gold, find out whether he knows of other municipalities in state which are troubled with C+K on construction or other work.
456-4409

2) Also call Don Fisher, and find out how he is doing in C+K - find out how he is doing -
Don Fisher

3) Find out what kind of restrictions or laws they have on exchanging info between public assistance and social services (info dealing with a client being served by both).

Thank Charlie
6

Problems → Margot Dick - Juneau - training

Jerry Madden -

Rocky - go hold

Bill Request - House HESS Committee

See 44.47.250 is repealed and re-enacted to read: The department shall

- (1)
 - (2)
 - (3)
 - (4)
- as is

(5) contract with municipalities to perform its duties

under §§ 250-310 of this chapter within that municipality. The municipality may subcontract with another organization in the community to perform administrative duties;

- (6) existing (4)
- (7) existing (1)

Rocky -

pls get me copy
of regulations on
municipality-run
day care.

Thank
Charlie

HB 571 - Albst.

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

JAY S. HAMMOND, GOVERNOR

DIVISION OF COMMUNITY & RURAL DEVELOPMENT

Bayview Commercial Bldg., Suite 230
619 Warehouse Avenue
Anchorage, Alaska 99501

March 6, 1978

Mrs. Karen Parr
Presiding Officer
Fairbanks North Star Borough
Box 1267
Fairbanks, Alaska 99707

Dear Mrs. Parr:

Thank you for your invitation to meet with you and the Assembly on March 16 regarding the Alaska Day Care Assistance Program.

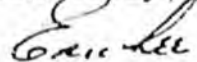
I am concerned that you and the Assembly are confusing the matter related to the FY '78 Contract, subcontract and Dr. Gold with the general overriding concern for administration and operation of the program in and by the Fairbanks North Star Borough.

It must be clearly understood that there has been a final administrative decision on the proposed subcontract with Dr. Gold. Upon advise of the Attorney General, it would be inappropriate for me to discuss this specific matter further with you. Therefore, a meeting, as outlined in your letter to me of February 28, which included Dr. Gold, would serve no useful purpose.

I would be more than happy to meet with you regarding the overall general problem of contracting procedures, program administration as it relates to the future of the program in Fairbanks. The March 16 date would be satisfactory or another date could be arranged.

I hope to hear from you soon.

Sincerely,



Eric Lee
Director

EL/dt

cc: Lee McAnerney, Commissioner
Rod Pegues
Charles Parr
Lisa Rudd
Joe Orsini
John Carlson

CONTRACT FOR SERVICES
ALASKA STATE DAY CARE ASSISTANCE PROGRAM
BETWEEN
THE
DIVISION OF COMMUNITY AND RURAL DEVELOPMENT
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
AND
The City and Borough of Juneau

July 1, 1977
Date

ALASKA STATE DAY CARE ASSISTANCE PROGRAM

THIS AGREEMENT, entered into as of July 1, 1977, by and between The City and Borough of Juneau (hereinafter called the "Contractor", and the DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS (hereinafter called "Department"),

WITNESSETH THAT:

WHEREAS, the Department desires to engage the Contractor to render certain technical and administrative services hereafter described in connection with the program known as the Alaska State Day Care Assistance Program authorized under AS 44.47.250-310, SLA 75:

NOW, THEREFORE, the parties hereto do mutually agree as follows:

ARTICLE I. Employment of Contractor. The Department hereby agrees to engage the Contractor and the Contractor hereby agrees to perform the services hereinafter set forth in connection with the Program of the Department under Day Care Assistance Program Grant Number DCAP 73-004.

ARTICLE II. Scope of Services. The Contractor shall do, perform and carry out, in a satisfactory and proper manner, as determined by the Department, the following services:

The specific services to be performed by the Contractor are set forth in Appendix A, attached hereto and made a part hereof.

ARTICLE III. Personnel. The Contractor represents that:

(a) He has or will secure at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the Department.

(b) All services required hereunder will be performed by the Contractor or under his supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such services.

(c) None of the work or services covered by this Contract shall be subcontracted without written approval of the subcontract by the Department.

ARTICLE IV. Period of Performance. The period of performance shall commence on July 1, 1977, and expire on June 30, 1978.

ARTICLE V. Forms to be Provided to the Contractor. All forms required for reporting purposes to the Department shall be furnished to the Contractor without charge by the Department. The Department will provide the Contractor with the necessary training required to use the forms properly.

ARTICLE VI. Compensation. The Department agrees to compensate or reimburse the Contractor for actual payments made to Day Care Providers on behalf of eligible parents under the Procedural Guidelines and Recommendations established by the Department. Payment will be made on a monthly basis upon receipt by the Department of the following:

- (1) Monthly Local Agency Statistical Report Form
- (2) Billing for reimbursement for actual assistance payments made during the reporting period.

The total amount of this contract is not to exceed \$173,036.

The total cost incurred by the Contractor for direct or indirect administration of the program will be borne by the Contractor. No administrative costs will be reimbursed by the Department.

ARTICLE VII. Termination of Contract for Cause. If, through any cause, the Contractor shall fail to fulfill in timely and proper manner his obligations under this Contract or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the Department shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In that event, all records of the Contractor in connection with the Contract shall, at the option of the Department, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any services rendered in compliance with the Contract prior to the termination date.

Notwithstanding the above, the Contractor shall not be relieved of any liability to the Department for damages sustained by the Department by virtue of any breach of the Contract by the Contractor for the purpose of setoff until such time as the exact amount of damages due the Department from the Contract is determined.

ARTICLE VIII. Additional Contract Provisions. Appendix B, attached hereto and made a part hereof, sets forth additional general Contract Provisions of this Contract.

ARTICLE IX. Changes. Appendix C attached hereto and made a part hereof sets forth any changes or additions that were made to this Contract. (If Appendix C is not attached hereto, there have been no such changes or additions.)

ARTICLE X. Interest of the Contractor. The Contractor covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. The Contractor further covenants that, in the performance of this Contract, no person having any such interest shall be employed.

ARTICLE XI. Confidentiality. All information relating to this Contract or persons who serve under the Contract shall remain in strictest confidence. Such information shall be kept confidential and shall not be made available to any individual or any organization by the Contractor without the prior written approval of the Department.

ARTICLE XII. Audits and Inspections. At any time during normal business hours and as often as the Department deems necessary, there shall be made available to the Department and/or its representatives all records with respect to all matters covered by this Contract. The Department reserves the right to audit, examine and make excerpts for transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Contract or any related subcontract.

ARTICLE XIII. Program Monitoring and Reporting. The program will be monitored by the Department of Community and Regional Affairs. Necessary reports as defined herein, will be required as a prerequisite to reimbursement.

ARTICLE XIV. Procedures and Guidelines. The Contractor shall perform all services in compliance with the procedures and guidelines as outlined in the Department of Community and Regional Affairs Day Care Assistance Program Manual (Revised June 23, 1977), attached hereto and made a part hereof, and Alaska Statute 44.57.250-310.

IN WITNESS WHEREOF, the parties have executed this contract.

CONTRACTOR:

BY _____

TITLE _____

DATE _____

STATE OF ALASKA:

CIRA

(Department or Agency)

BY Les McCannery

Commissioner

(Title)

DATE 28 July 77

APPROVED:

Department of Administration

Approved as to form.

City-Borough Attorney

IN WITNESS WHEREOF, the parties have executed this contract.

CONTRACTOR:

BY _____

TITLE _____

DATE _____

STATE OF ALASKA:

(Department or Agency)

BY _____

(Title)

DATE _____

APPROVED:

Department of Administration

Appendix A

For FY '77 Contract Between
The State of Alaska
and the

City and Borough of Juneau

The contract is made pursuant to the Alaska Day Care Assistance Program funded by the Department of Community and Regional Affairs, Division of Community and Rural Development. The Contractor will perform the following services:

- (1) All services defined and in the manner described under the State of Alaska Day Care Assistance Program Application Manual (Revised June 23, 1977) Article V, Sections B & C.
- (2) Will supervise and monitor all subcontracts relating to the local administration of the Alaska Day Care Assistance Program.
- (3) The Contractor shall give priority in eligibility determination to single parent families and those families demonstrating the greatest financial need.
- (4) The Contractor or his agent will make all eligibility determinations in accordance with the Community Differential Subsidy Scale hereto attached and made a part hereof.
- (5) The Contractor agrees to serve all families with reasonable access to licensed day care facilities within the City and Borough of Juneau.
- (6) The Contractors shall hold confidential any information regarding day care subsidy recipients under this contract.

Appendix B

Article B1. Definitions.

(a) The term "Contracting Officer" as used herein means the person executing this contract on behalf of the State and includes a duly appointed successor or authorized representative.

(b) The term "Department" means the Department which has executed this Contract for the State of Alaska. Article B2. Inspection and Reports.

(a) The Department shall have the right to inspect, in such manner and at all reasonable times as it deems appropriate, all activities of the Contractor arising in the course of its undertakings under this contract.

(b) The Contractor shall make progress and other reports in such manner and at such times as the Department may reasonably require.

Article B-3. State Saved Harmless.

The Contractor shall hold and save the State, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for or on account of any or all suits or damages of any character whatsoever resulting from injuries or damages sustained by any person or persons or property by virtue of performance of this contract.

Article B-4. Equal Rights.

The Contractor shall comply with all State and Federal laws and lawful regulations relating to equal rights.

Article B-5. No Assignment.

The Contractor shall not assign this contract, nor any part thereof, nor any right to any of the monies to be paid him hereunder.

Article B-6. No additional Work.

No claim for additional services, not specifically herein provided, done or furnished by the Contractor, will be allowed by the Commissioner or the head of the agency, nor shall the Contractor do any work or furnish any material not covered by the contract, unless such work is ordered in writing by the Contracting Officer.

BASE DIFFERENTIAL SUBSIDY SCALE

INDEX FACTOR: Base 100.00

INCOME GROUP (Adjusted net Dollars)	INCOME GROUP		STATE SHARE	PARENT SHARE
	Minimum	Maximum		
GROUP I	0	5,999	95-100%	0-5%
GROUP II	6,000	7,999	70-95%	5-30%
GROUP III	8,000	10,999	45-70%	30-55%
GROUP IV	11,000	12,999	20-45%	55-80%

Appendix C

1. The Department is fully aware that the Contractor is the owner of the Cedar Park Day Care Center and that the Contractor leases said day care facility to a Day Care Provider who has, in the past, qualified for day care assistance and is likely to qualify for such assistance during the term of this contract. The Department has reviewed the relationship of the Contractor and said Day Care Provider and finds that said relationship does not, on its face, constitute a conflict of interest prohibited under Article X of the contract.

APPENDIX C
FOR FY ' 78 CONTRACT BETWEEN
THE STATE OF ALASKA
AND THE
CITY AND BOROUGH OF JUNEAU

In accordance with ARTICLE IX of the Contract for Services for the Alaska State Day Care Assistance Program between the Division of Community and Rural Development, Department of Community and Regional Affairs and the City and Borough of Juneau for the period of July 1, 1977 to June 30, 1978, the following changes are made:

1. Paragraph (5) of Appendix A is deleted in its entirety, and the following paragraph is inserted instead:

"(5) The Contractor agrees not to deny assistance to families with reasonable access to licensed day care facilities within the City and Borough of Juneau regardless of the location of the family's residence."

2. That portion of ARTICLE XIV Procedures and Guidelines which reads "(June 23, 1977)" is deleted and the phrase "(January 26, 1978)" is inserted instead.
3. That portion of Appendix A, paragraph (1) which reads "(Revised June 23, 1977)" is deleted and the phrase "(Revised January 26, 1978)" is inserted instead.

IN WITNESS WHEREOF, the parties have executed this Appendix.

CONTRACTOR

BY

TITLE

DATE

STATE OF ALASKA

CRA

(Department or Agency)

BY

Director

Title

3/3/78

[Handwritten signature]

Mgr.

3/21/78

[Handwritten signature]

HB

917

COMMITTEE REPORT

5/5/78

HOUSE

FURTHER: _____

Date: _____

Mr. Speaker:

The Committee on HESS has had HD 917

"An Act relating to an Alaska Medical Facility Authority; e.d."

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____
- and _____ new title same title
- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

(Handwritten signature)

Chairman

LA21 3584 18.26 05/16/78 JA01 0002 07.24 05/17/78

TO: CINDY, JNU
FROM: APRIL, FBX

PLEASE DELIVER THE FOLLOWING MESSAGE TO ALL MEMBERS - HOUSE:

REQUEST YOUR FAVORABLE VOTE WEDNESDAY, CSHB 917, WHICH WILL
MEAN LOWER HOSPITAL COSTS TO CITIZENS OF OUR STATE. THE
STATE'S FINANCIAL CONSULTANT AGREES THIS IS THE MOST VIABLE
WAY TO FINANCE HOSPITAL CONSTRUCTION AT NO COST TO STATE.
PRESENT CERTIFICATE OF NEED LAW WILL PREVENT OVERBUILDING
AND COMMISSION CREATED BY CSHB 917 TIES INTO STATE HEALTH
AUTHORITY. THIS LEGISLATION WILL SAVE THE PATIENTS AT FAIRBANKS
MEMORIAL HOSPITAL MILLIONS OF DOLLARS IN HOSPITAL BILLS
OVER THE NEXT SEVERAL YEARS. THIS LEGISLATION IS NEEDED NOW.
THANKS FOR YOUR SUPPORT.

RON HERLAND
CHAIRMAN, FAIRBANKS COMMUNITY HOSPITAL FOUNDATION

PLEASE ACK WHEN MESSAGE DELIVERED. THANKS. /A/ EOM

SECTIONAL ANALYSIS: HB 917

Sterling Gallagher
Commissioner of Revenue

The Alaska Medical Facility Authority is designed to aid in the construction and equipping of established and potential medical facilities through financing in the municipal bond market. Similar financial assistance is available to municipalities that wish to expand medical services via medical facilities through the Municipal Bond Bank. This bill provides an additional means of financing to those profit or non profit medical entities which are not municipally owned or eligible for participation in the Municipal Bond Bank. Section 103 of the Internal Revenue Code permits tax exempt financing for these purposes.

18.26.010. The Legislative finding and policy section is necessary to establish the public purpose under which medical facilities can be financed in the municipal market. The Legislative findings are that there are inadequate medical facilities in certain localities. One of the policies is to provide alternative methods of financing and assistance in obtaining financing for the purpose of building or upgrading medical facilities in those localities.

18.26.020. Creation of the authority as a public corporation and instrumentality of the state within the Department of Revenue, but with a separate and independent legal existence.

18.26.030. Establishes the Commissioner of Revenue as chairperson of the Board of Directors, and the Commissioner of Community and Regional Affairs and Commissioner of Health and Social Services as the other two members of the Board.

18.26.040. This section establishes a quorum of two for the Board to function and states that members will serve without salary and that they may hire an Executive Director. Notice of meetings must be given in accordance with regulations adopted by the board and all meetings must be open to the public.

18.26.050. The powers of the authority are set forth in this section. They are comparable to those of similar bodies created in the state.

18.26.060. This section states that the Authority may not maintain or operate any medical facility except as provided in a trust indenture under default.

18.26.070. All expenses incurred by the authority are the sole obligations of the authority and no liability will accrue to the state.

18.26.080. The authority may borrow money and issue revenue bonds after the Board finds by resolution that the operator of the medical facility is financially competent to operate the facility and to retire the debt. Also a resolution may be passed establishing the public purpose of the particular facility and its projected cost. The bond resolution shall set out all the terms and conditions on the sale of the bonds. Bonds are negotiable instruments for purposes of the Uniform Commercial Code. The bond resolution must provide for the establishment of a special fund and may specify contractual terms. The superior court has jurisdiction to hear and determine actions or proceedings relating to the authority.

18.26.090. The authority may issue Bond Anticipation Notes under terms and conditions set by resolution.

18.26.100. This section states that the bonds may be secured by trust agreements.

18.26.110. There is no personal liability for the members of the authority or the person executing the bonds.

18.26.120. All notes and bonds issued against any special funds are a valid claim against that fund.

18.26.130. No member of the board, advisory employees or consultants may vote on a resolution or influence any decision where she/he has a conflict of interest. If violated, monetary gain must be returned, and person may be fined and jailed.

18.26.140. Any pledge of revenue or assets by the authority is binding from the time the pledge is made against any party irrespective of the actual notice.

18.26.150. The revenue bonds issued by the authority are not either directly, indirectly or contingently obligations of the State; they are paid solely from the revenue of the authority.

18.26.160. The rights of bondholders to protect investments via court intervention is specifically established.

18.26.170. The authority may invest its funds in prudent investments as defined in AS 37.10, but may pay no higher price for the investments than the offering or market price.

18.26.180. The bonds are legal security for banks, trust companies, savings and loans and other fiduciaries.

18.26.190. The State of Alaska pledges that it will not alter or limit the rights vested in this authority with respect to outstanding obligations.

18.26.200. The authority shall keep accurate accounting and shall make a report each year to the Governor and the Legislature. The Governor may investigate the affairs of the authority, may examine the property and records of the authority, and may prescribe methods of accounting and the rendering of periodical reports in relation to projects undertaken by the authority.

18.26.210. All medical facilities are subject to state requirements for public buildings and structures.

18.26.220. All facilities shall meet state licensing requirements and shall obtain a certificate of need before financing under this authority.

18.26.230. The bonds of the authority are exempt from all taxes except for gift, inheritance and estate taxes. However real and personal property that is leased to a third party is subject to all local taxes.

18.26.240. All earnings of the authority excess to its needs are the exclusive property of the state.

18.26.250. The authority is not a political subdivision of the state for purposes of AS 37.10, a municipal corporation for purposes of AS 29. or a state agency for purposes of AS 37.

18.26.970. Definition of terms.

HOUSE BILL 917

"An Act relating to an Alaska Medical Facility Authority."

Accessibility to adequate medical care is not available to all Alaskans due to the lack of certain medical facilities and the inadequacy of other medical structures throughout the State.

Planning surveys indicate a need for additional mental health centers, public health centers, facilities for the developmentally disabled, rehabilitation facilities and drug abuse and alcoholism treatment facilities. Architectural surveys of hospitals, nursing homes and intermediate care homes often indicate a need for modernization or replacement of many of these facilities. As the population increases, additions to these facilities may be needed. Many of Alaska's existing facilities do not meet Life Safety requirements and are not functionally designed to operate efficiently or to provide cost savings through such means as energy conservation.

The intent of House Bill 917 is to establish a means of financing the construction and equipping of medical facilities for which a community-based need has been demonstrated. By providing an economic mechanism to finance such facilities, efforts to contain spiraling health care costs could be enhanced. Both municipal, non-profit and profit-making entities are eligible to apply to the proposed Alaska Medical Facility Authority for funding, thus enabling all potential consumers of service to take advantage of the cost-savings realized through the financing mechanism.

As a part of its efforts to contain rising health care costs, the Department of Health and Social Services is naturally concerned about curbing the unnecessary proliferation of medical facilities. Section 18.26.220 stipulates that any medical facility assisted in any way by the proposed Medical Facility Authority would be subject to those licensure and determination of need provisions currently a part of the Alaska Statutes. Any additional requirements promulgated at a future date would also need to be satisfied before eligibility for application was granted. Even those facilities "grandfathered in" under special provision of AS 18.07 must meet the community-determination of need test before being eligible for funding from the proposed Medical Facility Authority. These provisions not only assist the State in guarding against the over-building of medical facilities, but ensure that those facilities utilizing this source of State support benefit from inclusion in the comprehensive State and regional planning process.

The establishment of an alternative financing mechanism for non-municipally owned medical facilities would assist communities in developing the services necessary to meet the health needs of their residents in the most cost-effective manner possible.

Recommended by: D. Sharon Osborne Date 4/19/78
D. Sharon Osborne, Coordinator
Office of Planning and Research

Approved by: Helen D. Beirne Date 4/19/78
Helen D. Beirne, Commissioner
Department of Health & Social Services

Attachment

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

April 18, 1978

MEMORANDUM

SUBJECT: Medical Facility Authorities (W.O. #25/R)

TO: The Honorable Lisa Rudd

FROM: Snarman Haley *SH*
Research Analyst

I spoke with Mary Alice Lightle, a finance specialist for the American Hospital Association head office in Chicago, about medical facility authorities in other states. She informed me that Alaska is one of only four states that do not already have such authorities. The other three are California, Hawaii, and Nevada. There are a few more states in which the authorities are not yet active.

The trend toward state medical facility authorities began in 1966 in Connecticut. In many states the authorities' jurisdiction includes educational facilities as well as health facilities. In a few states the industrial development bond act was amended to include health facilities. A uniform health and educational facilities authority act has been developed and adopted by several states, including South Dakota. A copy of the South Dakota statute is attached. A copy of the uniform act is in the mail to me, along with a membership list for the Council of State Health Facility Financing Authorities, and an information sheet listing all fifty states.

I expect you will have further questions on particular aspects of this subject, so please let me know your wishes.

SH:dh
Attachment

April 12, 1978

Representative Lisa Rudd, Chairman
 House Community and Regional Affairs
 Committee
 Pouch V
 Juneau, AK 99811

Dear Representative Rudd:

We the undersigned, representing varied public and private interests in our community, are in support of House Bill 917. This act, creating a bonding mechanism to provide additional alternatives to medical facilities for issuing bonds under a State authority, is a necessity in the Fairbanks area and in other areas throughout the State. This act would provide a mechanism for Fairbanks Memorial Hospital to finance its new addition and thus would save an approximate six million dollars in interest costs. We are extremely supportive of House Bill 917 and urge your committee to take immediate action on this bill.

NAME ADDRESS OCCUPATION

NAME	ADDRESS	OCCUPATION
1. Ruth Peterson	SR Box 30218 Fairbanks	College Educator
2. Kenneth A. Crowell	PO Box 5 Fairbanks	Public Relations Administrator
3. Carol Johnson	705 B Tanager Dr. U of A	Student
4. Maria Lindner	SR 40567 Fairbanks, Ak.	Homemaker
5. Dan Jones	105 ...	Homemaker
6. ...	615 ...	...
7. ...	3446 ...	...
8. ...	...	...
9. ...	1644 ...	...
10. ...	216 ...	...
11. ...	Box 5071 College, Ak. 99705	Retired Eng.
12. ...	4399 ...	Secretary
13. ...	415 ...	Electronic Tech.
14. ...	PO Box 5 College	Member
15. ...	SR 2011-1 Fairbanks	FEU
16. ...	SR 40460-C Fairbanks	R.N.
17. ...	SR 31077 Fairbanks	N.N.
18. ...	...	...
19. ...	...	...
20. ...	115 State St., Fairbanks	Domestic Engineer
21. ...	Box 80907, College, AK	Medical Technologist
22. ...	102 State Drive E.	Teacher
23. ...	SR Box 20021	day care attendant
24. ...	3155 Totten Drive	Board Member - director Day Care Center
25. ...	420 College Rd	transport nurse

Representative Lisa Rudd, Chairman
 House Community and Regional Affairs
 Committee
 Pouch V
 Juneau, AK 99811

Dear Representative Rudd:

We the undersigned, representing varied public and private interests in our community, are in support of House Bill 917. This act, creating a bonding mechanism to provide additional alternatives to medical facilities for issuing bonds under a State authority, is a necessity in the Fairbanks area and in other areas throughout the State. This act would provide a mechanism for Fairbanks Memorial Hospital to finance its new addition and thus would save an approximate six million dollars in interest costs. We are extremely supportive of House Bill 917 and urge your committee to take immediate action on this bill.

NAME	ADDRESS	OCCUPATION
1. Ralph W. How	S.R. 70071 FBK.	Food Serv. MGR.
2. James Worthington	Box 60223 Ft. Wks	Dentist
3. Joan McKow	4508 Dartmouth Rd.	Dentist
4. William H. King	1919 Harding	Physician
5. D.D. Fairbank	SR 20005	M.D.
6. Roger P. Harding	102 10 th ST FBK	MD
7. James Fitzgerald	SR Pox 31446 FBK	Physician
8. Bill [unclear]	2 CRAIG ST FBK	Business
9. Pat [unclear]	5195 D LOMAX ST	Business office
10. Lawrence [unclear]	162 ALLEGHENY	MANAGER
11. [unclear]	5141 H. Koyak St Fairbanks	Business
12. Arthur Harder	104 B	
13. [unclear]	5755 P. [unclear] Fairbanks	Business
14. [unclear]	P.O. Box 50001 Fairbanks	Medical [unclear]
15. Tom [unclear]	116 Craig Street	Hospital Administrator
16. [unclear]	1000 Bluebell	X-Ray Tech
17.		
18.		
19.		
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25.		

April 12, 1978

Representative Lisa Rudd, Chairman
House Community and Regional Affairs
Committee
Pouch V
Juneau, AK 99811

Dear Representative Rudd:

We the undersigned, representing varied public and private interests in our community, are in support of House Bill 917. This act, creating a bonding mechanism to provide additional alternatives to medical facilities for issuing bonds under a State authority, is a necessity in the Fairbanks area and in other areas throughout the State. This act would provide a mechanism for Fairbanks Memorial Hospital to finance its new addition and thus would save an approximate six million dollars in interest costs. We are extremely supportive of House Bill 917 and urge your committee to take immediate action on this bill.

NAME	ADDRESS	OCCUPATION
1. <u>Wm R. Wood</u>	<u>665 TENTH AVE.</u> <u>FAIRBANKS, AK, 99701</u>	<u>President (Emeritus) University of Alaska</u>
2. <u>D. Harold Wood</u>	<u>1020 Kellum</u>	<u>Merchant</u>
3. <u>John Wilton</u>	<u>1020 Kellum</u>	<u>Interior Manager</u>
4. <u>Paul O. Smith</u>	<u>4273 Birch Lane</u> ^{FBI}	<u>Public Health Officer</u>
5. <u>Ralph H. Hoop</u>	<u>2519 Ruby Ave</u>	<u>DAC</u>
6. <u>John Miller</u>	<u>6th - 11th 1112</u>	<u>Physician</u>
7. <u>David Bell</u>	<u>235 Farewell</u>	<u>Fairbanks Manager NEMACH.</u>
8. <u>James Russell</u>	<u>541 - 4th Flx</u>	<u>Therapist</u>
9. <u>Carl</u>	<u>425 Glacier</u>	<u>Attorney</u>
10. <u>Earl H. Beattie</u>	<u>Box 80108, Fbks 99708</u>	<u>Univ. of Alaska</u>
11. <u>Howard A. Gize</u>	<u>711 Kobuk 4/A Fbks</u>	<u>Univ. of Alaska</u>
12. <u>Cl. P. P. P.</u>	<u>SA Box 2057, Fbks</u>	<u>Ret. Alascom</u>
13. <u>Dale Jones</u>	<u>Box 529 Fbks</u>	<u>Auto Insurance</u>
14. <u>Charles King</u>	<u>P.O. Box 2735 Fbks</u>	<u>Hotel Day</u>
15. <u>Charles Lusk</u>	<u>Box 70332</u>	<u>Fairbanks - Rider</u>
16. <u>John Long</u>	<u>304 College Rd</u>	<u>Fbks - AK Bus.</u>
17. <u>John P. P.</u>	<u>Silver 10571 Flx</u>	<u>Consultant</u>
18.		
19.		
20.		
21.		
22.		
23.		
24.		
25.		

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907 465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

May 15, 1978

SUBJECT: CSHB 917, establishing the Alaska Medical Facility Authority (W.O. #5518)

TO: Representative Charles H. Parr, Chairman
Health, Education and Social Services Committee

FROM: John B. Chenoweth, Legislative Counsel

You have asked for a response to two points of objection made with respect to CSHB 917 by Al Comosso, Administrator of Anchorage's Providence Hospital. Neither of the writer's objections, to my mind, asserts a valid point of opposition which is of constitutional dimension.

Mr. Comosso's telegram states that the committee substitute "is philosophically contrary to existing [state] conflict of interest legislation" in that it permits board members to benefit from decisions of the authority board merely after the disclosure of the interest. I'm not sure what objection of constitutional proportion is suggested. No constitutional provision mandates treatment of conflicts between public service and private interests in all matters involving state board or commission members in one particular fashion; no provision bars the identification of conflicting interests and the manner of their disposition. The means by which conflicts of interest are handled is, in this instance, for legislative determination; disposition may, but need not, follow the "philosophy" of existing legislation on the subject.

*

The second objection concerns AS 18.26.140, added in section 1 of the bill. That section establishes a priority for revenues pledged over subsequent claims arising in tort or contract:

Representative Charles H. Parr

May 15, 1978

Page 2

Sec. 18.26.140. PLEDGE OF REVENUES. Any pledge of revenue or other money, obligations, or assets by the authority is binding from the time the pledge is made as against any parties having subsequent claims in tort, contract, or otherwise, irrespective of whether those parties have actual notice of the prior pledge. The pledge must be noted in the board's minute book and is constructive notice to all parties. Neither the resolution nor other instrument by which a pledge is created need be otherwise recorded, nor is the filing of any financing statement under the Uniform Commercial Code or other law required to perfect the pledge. Revenue, rent, or other money, obligations, or assets so pledged and later received by the authority are immediately subject to the lien of the pledge without any physical delivery or further act.

The author of the telegram suggests that the section may violate art. 1, sec. 15 of the state constitution:

PROHIBITED STATE ACTION. No bill of attainder or ex post facto law shall be passed. No law impairing the obligation of contracts, and no law making any irrevocable grant of special privileges or immunities shall be passed. No conviction shall work corruption of blood or forfeiture of estate. (Emphasis added.)

It should be noted, at the outset, that pledge provisions comparable to AS 18.26.140 are common in legislation governing the manner of operation of facility financing authorities in Alaska (see, for example, AS 44.58.350, relating to the Alaska Municipal Bond Bank Authority; AS 44.61.110, relating to the Alaska Industrial Development Authority; AS 18.56.120, relating to the Alaska Housing Finance Corporation). By the terms of sec. 140, as in the comparable sections of the other acts, revenues pledged may be so encumbered only in furtherance of the corporate purposes of the respective authority.

The revenue pledge provision of sec. 140 interposes no constitutional objection founded upon impairment of contract under the state constitutional provision cited. As the section indicates, the pledge of revenue constitutes a lien against assets of the Authority with respect to the discharge of the underlying obligation (presumably a debt

obligation), thereby providing the creditor (if a debt obligation, the lender or bondholder) a measure of additional security in the assets of the authority which is superior as against all others, except, as with lien law generally, those who hold prior liens on the property. The lien, which is a pledge of revenue or other asset of the Authority, is, in this instance, material not to an obligation of the contract but rather to secure the enforcement of the repayment provisions of the contract, a feature characteristic of revenue bonding procedures involving no pledge of the full faith and credit of the issuing state or political subdivision.

It is well settled law, both in federal courts with respect to interpretation of the comparable federal provision (U.S. Constitution, Art. I, sec. 10) and in state courts with respect to comparable state constitutional provisions prohibiting impairment of contract, that a state, by legislative act, may provide for the alteration of remedies available to parties to enforcement of rights in contracts without interfering with the underlying obligations, rights, and interests. Generally, it is enough, in the final instance, if the remedy remaining after alteration is adequate and sufficient.

It is not true that AS 18.26.140 "permits the [proposed Alaska Medical Facility] Authority to not be financially responsible for breaches of contract or torts." What is provided is a general scheme of prioritization as among bondholders, general creditors and others who may bring claims against the Authority by which, whenever a pledge of revenue or other asset is given by the Authority in furtherance of its purposes and recorded in the manner required, constructive notice of the pledge of revenue is provided to all parties entering subsequent claims of the subordination of their rights in those same assets to the extent of the pledge. Given the public purpose for which the Authority is proposed and the need to protect the bondholders and all other creditors of the Authority, I have no doubt that determination of priorities in the manner provided in sec. 140 would be upheld against any claim founded upon alleged impairment of contract under Art. I, sec. 15 of the state constitution.

JBC:hjd

LEGISLATIVE REVIEW & RECOMMENDATIONS
OF THE LEGISLATIVE ADVISORY COMMITTEE
OF THE MUNICIPAL HEALTH COMMISSION

(Anchorage)

1. Bill number and topic: House Bill 917 - Alaska Medical Facility Authority.
2. What is the current status of the Bill? Presently in House Community and Regional Affairs with additional referral to House HESS.
What is the time frame for influencing the bill's outcome the this committee or commission? This legislative session.
3. What does the bill do? Provides for an organization in the state government that will function as a mechanism through which medical facilities (proposed or existing) can obtain financing.
4. Who does it affect? Existing and proposed medical facilities and state taxpayers.
5. How much does it cost? Unknown.
6. Is it directed to a specific geographic area? No.
7. Is it directed to a specific group? Yes.
Who? Owners and operators of existing and proposed medical facilities. How does it affect others? May affect the public through increased taxes.
8. What are its strengths? Alternative (public) mechanism for financing medical facilities.
9. What are its drawbacks, weaknesses? 1) Transfers to the State the responsibility of private medical facility to obtain funding. We question this use of public assets to enhance private enterprise.
2) Could be costly to the state taxpayers.
3) Is an added layer of bureaucracy.
4) The Board of Directors are appointed rather than elected.
5) Already have a state and federal legislation that addresses and provides two planning organizations that deal specifically with health facilities and programs. This legislation ignores those planning bodies.
6) May have adverse affects on the development of medical facilities.
10. Is the idea new? No.
Are there precedents? Yes.
Where: Federal Public Law.
11. How would this bill affect the Anchorage Health Services Plan? Would affect the Anchorage Health Services Plan adversely.
12. What is the Committee's recommendation? That HB 917 not become law for the following reasons:

MUNICIPALITY OF ANCHORAGE

MEMORANDUM

DATE: April 25, 1978
TO: Lisa Rudd
FROM: The Legislative Advisory Committee of the
Municipal Health Commission
SUBJECT: House Bill 917

We attempted to send comments on House Bill 917 for the public hearing scheduled by your committee on Friday, April 21. Unfortunately, the public hearing was over before we were able to telex the information to you. We were informed by your legislative assistant that the committee would accept comments on House Bill 917 through mid week. Found attached is the Legislative Review and Recommendations we developed on House Bill 917. We hope your committee will consider our input before making any decisions on this bill.

- 1) It transfers to the State the responsibility of a private medical facility to obtain funding. We question this use of public assets to enhance private enterprise.
- 2) It creates an added layer of bureaucracy.
- 3) The Board of Directors are appointed rather than elected.
- 4) May be costly to the State taxpayers. Anytime a new office is established secretaries must be hired, phones installed, letterhead printed, public announcements made etc. An office to support the Medical Facility Authority would therefore be costly to the State taxpayers. Additionally, with this legislation allowing the State to manage and operate a medical facility as well as purchase and/or construct real or personal property, the costs and expenses incurred would directly affect the State budget. The potential for cost to the State taxpayers in this case is overwhelming.
- 5) May have adverse affects on the development of medical facilities. Criteria does not exist in this legislation for selection of the facilities or geographic areas that would benefit from this legislation. Those not selected could be adversely affected by the States action.
- 6). There exists State and Federal legislation that addresses and provides for planning organizations, Health Systems Agencies, that deal specifically with health facilities and programs. The Health Systems Agencies presently through their review and planning process assess the need for medical facilities throughout the state. This proposed legislation ignores these planning bodies and their orderly plans and processes for medical facility development.

HB

940

STATE OF ALASKA
Inter-Department Route Slip

TO:
MAIL STATION NUMBER 2100
DEPARTMENT House HCS
ATTENTION _____

- | | |
|--|--|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Note & Return |
| <input type="checkbox"/> Signature | <input type="checkbox"/> Initial & Return |
| <input type="checkbox"/> Comment | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action |
| <input type="checkbox"/> For Your File | <input type="checkbox"/> Your Information |

Remarks:

FROM:
MAIL STATION NUMBER 0500
DEPARTMENT Education
BY M. C. [unclear] DATE 5-4-78
02-C02 (REV. 10/73)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB-940 - An Act establishing the public school foundation
 Title program special education assessment and diagnostic services formula.
 Requested by House Hess Date May 3, 1978

II. FISCAL DETAIL

Agency Affected Education
 Program Category Affected Education
 Budget Request Unit(s) Affected Financial Support

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.			8,264.7	8,760.5	9,286.2	9,843.3
TOTAL						

FUNDING (Thousands of Dollars)

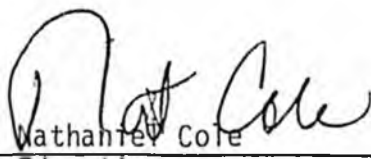
GENERAL FUND			8,264.7	8,760.5	9,286.2	9,843.3
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

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

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached

IV. DATE May 2, 1978 PREPARED BY  Nathaniel Cole
 AGENCY Education
 PHONE 465-2800
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

PERCENTAGE OF TOTAL SCHOOL POPULATION
SERVED IN SPECIAL EDUCATION

School District	Enrollment Total	Special Education Enrollment	%
ANCHORAGE	36,457	2,721	7.6
ANCHORAGE ON-BASE	3,082	408	13.23
BRISTOL BAY	241	20	8.29
CORDOVA	494	64	12.95
CRAIG	190	32	16.84
DILLINGHAM	407	76	18.67
FAIRBANKS	9,302	1,078	11.58
FAIRBANKS ON-BASE	2,489	294	11.81
GALENA	164	11	6.70
HAINES	430	105	24.41
HOONAH	276	130	47.20
HYDABURG	99	18	18.18
JUNEAU	4,459	816	18.30
KAKE	200	40	20.00
KENAI	5,719	773	13.51
KETCHIKAN	2,589	425	16.41
KING COVE	121	26	21.48
KLAWOCK	74	18	24.32
KODIAK	2,093	508	24.27
MAT-SU	3,644	429	11.77
NENANA	196	26	13.26
NOME	797	177	22.20
NORTH SLOPE	1,098	259	23.58
PELICAN	37	0	0
PETERSBURG	612	122	19.93
STTKA	1,820	264	14.50
SKAGWAY	235	35	14.89
ST. MARY'S	108+164 in mission high school	77	28.30*
UNALASKA	133	27	20.30
VALDEZ	841	224	26.63**
WRANGELL	515	116	22.52
YAKUTAT	167	47	28.14
SUBTOTAL	79,089 (-164= 79,253)	9,530	12.02
ADAK	617	44	7.13
ALASKA GATEWAY	431	77	17.86
AK. CEN. RAILBELT	352	49	13.92
ALEUTIAN REGION	238	60	25.21
ANNETTE	340	72	21.17
BERING STRAITS	472	64	13.55
CHATHAM	199	32	16.08
CHUGACH	49	8	16.32
COPPER RIVER	669	126	18.83
DELTA/GREELY	795	130	16.35
IDITAROD	278	10	3.59
KUSPUK	350	26	7.42
LAKE & PENINSULA	378	63	16.66
LOWER KUSKOKWIM	1,466	143	9.75
LOWER YUKON	905	103	11.38
NORTHWEST ARCTIC	1,546	195	12.61
PRIBILOFS	190	38	20.00
SOUTHEAST ISLANDS	333	73	21.92
SOUTHWEST	511	83	16.24
YUKON FLATS	304	43	14.14
YUKON/KOYUKUK	582	71	12.19
SUBTOTAL	11,005	1,510	13.72
STATE TOTALS	90,094 + 164=90,258	11,040	12.23

* % includes special education students attending mission school

** % includes students at Harborview Developmental Center

PERCENTAGE OF TOTAL SCHOOL POPULATION

SERVED IN SPECIAL EDUCATION
ADM

School District	Enrollment Total	Entitle- ment (Units)	Spec Ed Student Enrollmt	Spec Ed Student Entitlement	TOTAL
ADAK	615	2	44	1	121,800
CENTRAL RAILBELT	371	2	77	2	147,124
ALASKA GATEWAY	398	2	49	1	104,400
ALEUTIAN CHAIN	260	2	60	2	174,000
ANNETTE ISLAND	325	2	72	2	120,640
BERING STRAIT	512	2	64	2	179,800
CHATHAM	188	2	32	1	93,960
CHUGACH	51	2	8	0	69,600
COPPER RIVER	738	2	126	2	133,400
DELTA/GREELY	822	2	130	2	139,200
IDITAROD	278	2	10	1	134,850
KUSPUK	356	2	26	1	134,850
LAKE & PENINSULA	412	2	63	1	134,850
LOWER KUSKOKWIM	1,606	2	142	2	179,800
LOWER YUKON	934	2	103	2	179,800
NORTHWEST ARCTIC	1,563	2	195	2	179,800
PRIBILOF	175	2	38	1	130,500
SOUTHEAST ISLAND	448	2	73	1	90,480
SOUTHWEST REGION	544	2	83	1	134,850
YUKON FLATS	332	2	43	1	134,850
YUKON/KOYUKUK	651	2	71	1	134,850
REAA TOTAL					2,853,404
TOTAL ALL DISTRICTS					8,264.7

PERCENTAGE OF TOTAL SCHOOL POPULATION

SERVED IN SPECIAL EDUCATION
ADM

School District	Enrollment Total	Entitle- ment (Units)	Spec Ed Student Enrollmt	Spec Ed Student Entitlement	TOTAL
ANCHORAGE	34,692	2	2,721	28	870,000
BRISTOL BAY	238	2	20	1	134,850
CORDOVA	497	2	64	1	100,050
CRAIG	192	2	32	1	93,960
DILLINGHAM	373	2	76	1	34,850
FAIRBANKS	8,608	2	1,078	11	422,240
GALENA	162	2	11	1	134,850
HAINES	388	2	105	2	133,400
HOONAH	276	2	130	2	129,920
HYDABURG	112	2	18	1	93,960
JUNEAU	4,307	2	816	9	319,000
KAKE	200	2	40	1	93,960
KENAI	6,046	2	773	8	313,200
KETCHIKAN	2,484	2	425	5	203,000
KING COVE	118	2	26	1	130,500
KLAWOCK	75	2	18	-0-	62,640
KODIAK	2,136	2	508	6	259,840
MAT-SU	4,207	2	429	5	211,120
NENANA	210	2	26	1	110,343
NOME	786	2	177	2	179,800
NORTH SLOPE	1,202	2	259	3	224,750
PELICAN	37	1	-0-	-0-	32,480
PETERSBURG	591	2	122	2	120,640
SITKA	1,777	2	264	3	150,800
SKAGWAY	220	2	35	1	93,960
ST. MARY'S	101	2	77	1	134,850
UNALASKA	132	2	27	1	130,500
VALDEZ	940	2	224	3	166,750
WRANGELL	516	2	116	2	120,640
YAKATAT	187	2	47	1	104,400
DISTRICT TOTAL					5,411,253

CHARLIE PARR

ALASKA LEGISLATURE

S. R. Box 50599
Fairbanks, Alaska 99701
456-5029

Pouch V
Juneau, Alaska 99811
465-3797

May 19, 1978

Ms. Heather Flynn, Legislative Chairperson
Anchorage, School Board
4600 DeBarr Road
Anchorage, Alaska 99504

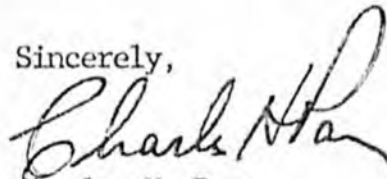
Dear Ms. Flynn:

Thank you for your letter of May 10 concerning HB 940. The Health, Education and Social Services Committee is presently working on a revision of House Bill 848 which would hopefully improve the special education picture in the state. Quite possibly the funding proposed in HB 940 will be included in the HB 848 package.

At the time of the teleconference with Anchorage residents on HB 848, a number of persons in your district expressed dissatisfaction with the special education services. Since it is my understanding that the Anchorage School District had a rather large surplus last year, it was difficult for me to assume that the weaknesses in special education services were due to a lack of money.

I am hopeful that we may be able to give you some relief but think it very unrealistic to expect that categorical funding will match needs exactly.

Sincerely,



Charles H. Parr

CHP:sg



ANCHORAGE
SCHOOL DISTRICT

4600 DeBarr Road - Anchorage, Alaska

99504

AREA CODE 907-333-9561

May 10, 1978

The Honorable Charles H. Parr
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Parr:

The attached commentary expresses our need for additional funding for assessment and diagnosis of handicapped children. The need was previously expressed in a letter dated 23 March 1978 authored by John B. Peper, Anchorage School District Superintendent.

We were surprised by the \$8 + million fiscal note attached by the Department of Education to SB 607/HB 940. We had computed a much lower figure, approximately \$1.9 million. As an alternative, may we suggest a reduction in the Average Daily Membership (ADM) ratio for special education, from 11:1 to 8:1, or 9:1. Cost for such a change could be computed very precisely. Our Finance Department gives us the following figures:

	<u>At</u> <u>11/Unit</u>	<u>At</u> <u>9/Unit</u>	<u>At</u> <u>8/Unit</u>
Separate Centers	11	11	11
District Wide	<u>168</u>	<u>206</u>	<u>231</u>
Total Foundation Units	*179	217	242
\$	\$5,086,521	\$6,166,341	\$6,876,749
Increase		\$1,079,820	\$1,790,228

*Currently Approved

The Honorable Charles H. Parr
May 10, 1978
Page 2

In either situation, please understand our rationale for requesting additional funding. As noted on the following page, fewer than 50% of the children we psychologically tested last year were in fact placed in special education classrooms. As you can readily see, our overhead for diagnosis and assessment is far outstripping the special education funding intended to pay for these services.

Thank you for your attention to this matter. Please do not hesitate to call upon the Anchorage School District for additional information.

Very truly yours,

A handwritten signature in cursive script that reads "Heather Flynn/dc".

Heather Flynn, Legislative Chairperson
Anchorage School Board

HF/bmn
Attachment

SPECIAL ALLOCATION BILLS

The Anchorage School Board supports the concept of additional state financial support for educational programs and activities which have unusually high costs. Examples of such costs are to be found in the special education and bilingual education areas. When the foundation support program was designed, it allowed a higher than normal allocation for special education students, but changes in laws and regulations have caused average costs to exceed the compensatory nature of the formula. In a similar vein, the requirement to provide bilingual education did not exist when the foundation plan was instituted. Since bilingual education is now law, the Anchorage School District must provide tutorial services to 458 students. The budgeted cost of the program for the coming year will be \$489,866. Relief from the state on a direct allocation basis for these students is necessary since federal fund sources have ceased to exist.

The district's position of supporting an increased allocation of state funds for student assessment is based upon a financial analysis of the special education vs. regular education programs in Anchorage. During the 1977-78 fiscal year, the school district budget of \$106 million reflected a \$32,760,000 or 30.9% contribution by local taxpayers. The special education portion of the same budget showed that local taxpayers contributed \$3.6 million or 37.7% of a total of \$9.5 million.

The primary reason for this difference is the high overhead associated with assessment of students to determine if they fall into one of the several special education categories. Under state and federal law, the district must be able to provide screening and diagnostic services for all students who might be candidates for special education. During the past year, the district tested or otherwise evaluated 4,090 students.

To provide comprehensive screening and testing required by state and federal law, the district maintains a staff of psychologists, speech pathologists, psychometrists, and other professionals.

Fewer than 50% of the children we psychologically tested last year eventually were entered into special education classrooms where they qualified for additional state support. Our concern lies primarily with that period of time and expense between a student's initial entry into the testing and evaluation phase and eventual placement into a special education classroom or return to a regular educational setting. Increased support in this area is necessary to catch up to the increased obligations on school districts caused by new state and federal laws and regulations.

HB

945

ALASKA CERTIFICATION TASK FORCE

Subcommittee on Career Ladders and Alternatives
Routes to Teacher Certification

Elementary Teacher

What standards?
An initial certificate will be issued to an applicant who meets the standards for that certificate.

Alternative routes to meeting those standards are as follows:

- 1) Completion of an approved Teacher Education Program at an institution of higher learning.
- 2) Completion of an approved Teacher Preparation Program through a series of career ladder steps. (Guidelines attached)

Standards applied for approval of teacher preparation program at institutions of higher learning and career ladder programs conducted by districts are to be the same. The review body using the standards to measure the programs is to be the same. (PTPC/TECAB?)

Proposed Guidelines

The teacher in training will go through a carefully sequenced series of steps designed to develop a teacher who can meet the approved standards. Two types of training will be used. A portion of the prospective teachers training will be conducted in a traditional manner by an approved institution of higher education on the campus of the institution or at the location of a school in which training is being conducted. Other portions of the prospective teachers training will be conducted by an approved master teacher at a school in which training is being conducted.

Using these standards as a starting point, a program of studies can be devised to reach them by the end of the period of study. A sample program is shown below.

For the purposes of this draft the Standards recommended by the National Association of State Directors of Teacher Education and Certification (revised) are used.

~~STANDARDS I & II~~

- I. Each curriculum for the preparation of teachers should be a program planned for teaching in the area of specialization and should include: (a) general education (those academic courses planned for all degree candidates) designed to prepare the student for purposeful and responsible living as an individual and a citizen in a free society; (b) appropriate content and experiences in his particular field of specialization to relate to and give background for his teaching service in public schools; and (c) the sequence in basic professional education designed to prepare the student for his role as a teacher in the public schools. The curriculum should be designed to develop the student's unique interests and capabilities through a system of academic guidance and free electives.
 - A. General Education. General education is based on those studies known as the liberal arts, which embrace the broad areas of the humanities, mathematics, the biological and physical sciences, and the social and behavioral sciences.
 1. STANDARD I - The content of general education, selected with discrimination from the aggregate of human experience, should embody the major ideas and principles of the various divisions of knowledge as they bear on common concerns. More specifically, the general education program should:
 - a. Foster individual fulfillment and nurture free, rational, and responsible adults
 - b. Cultivate appreciation for the values associated with life in a free society and for wise use of the power which accompanies citizenship
 - c. Develop leaders who are intellectually competent, imaginative, and vigorous
 - d. Contribute fundamentally to and give direction to the use of professional knowledge
 - e. Stimulate scholarship that will give understanding to concepts not now extant and help prepare people for rapid adjustment to essential change

- f. Encourage discernment in examining the values inherent in foreign cultures to the end that a clearer understanding of other peoples will reduce world tensions
2. STANDARD II - In the belief that a general education program relevant to the future is attained by a carefully selected sequence of experiences which increase in depth as the student matures, each institution approved for the education of teachers shall be responsible for building a sequential program of general studies which will help the college student attain an understanding and appreciation of:
 - a. Language skills as essential tools in communication
 - b. World literature with emphasis on but not limited to, the writings of English and American authors
 - c. The aesthetic values in human experience expressed through the fine arts
 - d. The scientific and mathematical concepts upon which contemporary civilization depends
 - e. Contemporary world culture
 - f. Social, geographic, political, and economic conditions and their impacts on current problems in the Nation and the world
 - g. The growth and development of the United States as a nation and its place in world affairs
 - h. The principles of physical and mental health as they apply to the individual and the community
 - i. American culture and heritage.

Proposed method of meeting the Standard.

These standards can best be met by asking the teacher in training to attend an institution of higher learning or through the same instruction delivered to the field. Examples of such training would be courses in the following areas:

Methods of Written Communication
Advanced Composition
Modern English Grammar
Introduction to Philosophy

Public Speaking
Introduction to Psychology
Social Sciences (Anthropology, Economics,
Geography, History, Political Science,
Psychology, Sociology)
Concepts of Mathematics
Biology
Physical Science

- B. Professional Education. Professional education is based on those studies which include foundations of education and methods and materials of teaching with supervised laboratory experiences designed to provide competencies required in the education professions.

~~STANDARDS III & IV~~

3. STANDARD III - Stated Objectives. Each program should have a clearly stated set of objectives for the professional education component of its teacher education program. It is essential that programs have the freedom to develop diverse and innovative teacher education programs. Each professional education program should be evaluated in terms of its stated objectives.
4. STANDARD IV - Planned Sequence of Studies. The program of professional preparation for teaching should encourage individualization of the student's program while providing a range of studies and experiences to develop:
- a. Knowledge of the processes of human growth, development, and learning, and the practical application of this knowledge to teaching
 - b. Knowledge of research, methods, materials, and media appropriate to teaching. The special emphasis should be in the student's field of teaching specialization
 - c. Ability to teach effectively and to work ethically and constructively with pupils, teachers, administrators, and parents
 - d. Understanding of the historical, philosophical and sociological foundations underlying the development and organization of public education in the United States

- e. Understanding of the purposes, administrative organizations, and operation of the total education program of the school
- f. Ability and willingness to analyze the teaching act as a means of continually improving his teaching skills

This Standard can be met by:

This model requires a carefully selected, highly trained master teacher who would pass the examination of a review board made up of three (3) administrators who have a daily working contact with classroom teachers, one (1) teacher who has been identified as a master teacher and the district superintendent or his/her designee. The master teacher should have responsibility for an elementary school classroom, three (3) hours per day and devote the remainder of the day to working with the teacher in training. No more than two (2) teachers in training should be assigned to one master teacher. The master teacher should be under the supervision of a recognized teacher trainer who will provide guidance when necessary.

Using a master teacher who would work with a teacher in training on both the theoretical bases within the behavioral sciences that contribute to modern educational practice, provide a model classroom laboratory where the teacher in training can observe these theories being put into practice, and practice their application.

Areas of study for these Standards should be:

- Child Growth and Development
- The Study of Man
- Anthropology of Natives of Alaska
- Sociology of Education
- Psychology of Education
- Philosophy of Education

- C. The Experience Component. An early in-depth experience with children and youth should be provided for all students who have not had a demonstrably equivalent experience. Every program should develop a comprehensive curriculum of carefully designated basic experiences in a variety of realistic settings within the core of its professional curriculum. In addition, the college should make available a wide range of laboratory, clinical, and practicum experiences to individualize learning patterns to meet each student's needs. An in-depth professional evaluation should be provided as an essential part of professional

counseling for the student as a person and for admission to the profession.

5. STANDARD V - In considering the approval of teacher education programs, the following statements should be used as a basis for evaluating the experience component. These statements are not all-inclusive. Teacher preparing programs should be encouraged to develop experience components of a quality superior to that implied.
 - a. Admission to the experience component. The student should be permitted to engage in the component only after a comprehensive professional review of his/her record indicates that scholarship, performance in an area of specialization, competence in the professional sequence, performance in previous professional experiences, and personal characteristics qualify him for these responsibilities. The master teacher should be provided in advance with the professional and personal information about the student that is essential for adequate understanding and guidance.
 - b. Intensity. The experience component should be a full time experience. It should include the full range of activities of a teacher in a typical school situation.
 - c. Length of Program. A good experience component provides for intensive and continuous involvement. The length of this component should depend upon the performance of the teacher in training. It should continue until he/she has achieved the objectives previously agreed upon.

This portion of the model will require use of the master teacher as described above.

Areas of study for these Standards should be:

Elementary School Art
Elementary School Music
Math for Elementary Teachers
Orientation to the Teaching Profession
Competency Development in Teaching Art,
P.E., and Music
Competency Development in Teaching Social Studies
Competency Development in Teaching Beginning
Reading

Competency Development in Teaching Science
Competency Development in the Use of
Instructional Media
Competency Development in Diagnosis and
Prescription Writing
Competency Development in Applied Psychology
Competency Development in Teaching Exceptional
Children in the Regular Classrooms
Competency Development in Teaching Children's
Literature
Competency Development in Teaching Reading and
Language Arts
Competency Development in Teaching Math
Competency Development in Teaching

Dennis Demmert

479-7871 - office

452-8898 - home

Notify when bill on
teacher cert coming up (per
attached)

~~Michael - pls see me.~~

next calendar

PROPOSED STATUTORY AMENDMENT REGARDING TEACHER CERTIFICATION

The Law currently reads as follows (page 35, Compiled School Laws):

Sec. 14.20.020. Requirements for issuance of certificate. (a) The department shall issue a teacher certificate to every person who meets the requirements in (b) and (c) or this section.

(b) A person is not eligible for a teacher certificate unless he has received at least a baccalaureate degree from an institution of higher education accredited by a recognized regional accrediting association or approved by the commissioner. However this subsection is not applicable to

(1) persons employed in the state public school system on September 1, 1962;

(2) persons issued an emergency certificate during a situation which, in the judgment of the commissioner, requires the temporary issuance of a certificate to a person not otherwise qualified.

* * * * *

The Certification Task Force seems to favor the establishment of alternative routes to certification. NEA-Alaska, the Alaska Federation of Natives and the Alaska Native Education Association have also taken positions in support of establishing alternative approaches. Several recent court decisions also can be interpreted to mean that diplomas, as essential requirements for job qualification, are in violation of the law.

It is proposed that item (3) be added under the above as follows:

(3) persons who meet such other requirements as the Board of Education may prescribe.

WORK ORDER REQUEST FORM

179 5383

KEYWORDS: Labor Organizations

ASSIGNED TO Rosenstein

REQUEST FOR: BILL RESOLUTION RESEARCH OTHER

SUBJECT Labor Organizations

REQUESTED FOR Rep. Parr BY H. Morin EXT. _____

* DELIVER TO _____ TAKEN BY Walker

INSTRUCTIONS, EXPLANATIONS Some unions associated with construction of the oil pipeline had a reputation for "roughness." Looking toward construction of the gas pipeline what controls can the state exert? Specifically, (1) what are the requirements for establishing a union local in the state, and (2) are "outside" unions required to establish locals in Alaska?

Note: Ken, after you have the chance to think about this, contact Rep. Parr to better define your inquiry.

OBTAIN

SPECIAL DRAFTING INSTRUCTIONS ATTACHED

AUTHORIZED TO CONFER WITH _____

RETURN _____

_____ TO REQUESTER

APPROVED: DTW Director, Legal Services

_____ Director, Research

REVIEWED _____

IN 4/19/76 DUE _____

TYPED - Draft _____ DATE _____

Final _____ DATE _____

PROOFED _____ DELIVERED _____

SPECIAL INSTRUCTIONS TO TYPIST/PROOFREADER

DRAFT

FINAL

IPD CERTIFICATION

CERTIFICATION RIGHTS AND RESPONSIBILITIES

1. Educator certification is necessary. It assures the public that the licensed practitioner has completed teacher-training programs that meet standards of quality and that he/she can be expected to perform satisfactorily in professional capacities.
2. Public, "consumer", and professional interests must be addressed in establishing certification standards. These interests include an assurance that students are served by well-prepared school personnel and standards in the teaching profession are maintained and advanced.
3. All educators involved in delivering educational services in public and private schools, K-12, and personnel in certain Department of Education positions shall hold teaching certificates. Para-professionals may work under the direct supervision of a certificated teacher but will not be certified. There shall be two basic certificates. The first shall be a teaching certificate with several endorsements available for instruction, administration, supervision, vocational education, and other assignments. A second certificate shall be issued for specific non-teaching positions such as nurses, psychologists, and psychometrists. Letters of authorization for recognized experts shall not be granted. (Resource centers can provide assistance.)
4. NEA-Alaska does not favor emergency certificates. A case-by-case approach should be used by the independent Licensure Commission in issuing emergency certificates. Guidelines should include the following criteria:
 - a. Emergency certificates are short term - one year or less.
 - b. Emergency certificates are non-renewable unless proof is submitted that the applicant is enrolled in a program leading to eligibility for certification. Then such certificates may be renewed once.
 - c. Special consideration may be given by the Licensure Commission to small communities facing emergency situations. It will be very difficult, if not impossible, for teachers in larger communities to obtain emergency certificates.
5. Certified teachers shall be hired as substitutes unless the district can show that none is available, except that after 19 consecutive days the position shall be filled with a certified teacher for a specified period of time.

LICENSURE STANDARDS

1. Certification shall be a state function. (Rationale: Individual employment requirements can be handled at the local level through policy formulation, inservice training, and negotiations.)
2. Certification shall continue to be granted upon the successful completion of Approved Program(s) until such time as the Licensure Commission can explore alternative mechanisms by which an individual candidate's qualifications can be assessed. The Licensure Commission should investigate the desirability of establishing a "trial year" internship program.
3. A Special Task Force shall be established to develop guidelines for (a) the identification and training of classroom teachers who supervise teacher trainees and (b) the conditions under which they function. This task force shall comprise classroom teachers, higher education representatives, DOE representatives, administrators, and representatives of students enrolled in teacher-training programs.
4. Approved Programs shall provide early and extensive classroom experience.
5. NEA-Alaska supports development of alternative programs, provided that such programs meet or surpass present certification standards.

ENDORSEMENTS

Endorsements serve as recognition and authorization of preparation and experience which will tend to improve the quality of instruction, a protection for the public and for the profession.

1. Definitions. "Endorsement" refers to areas of major preparation/training. "Area of Expertise" is a strong recommendation to employing districts about additional area of educator competence and training.
2. Process. The responsibility for obtaining certification endorsements and areas of expertise rests with the professional educator. He/she shall apply to the Licensure Commission for the recognition and shall provide the necessary documentation. If such an application is denied by the Commission, a clear and specific program for the achievement of that endorsement/area of expertise shall be provided by the Commission.
3. Alternative Methods for Obtaining Endorsements and/or Areas of Expertise.

The Licensure Commission shall develop specific criteria and procedures for alternative methods which shall include:

- a. College major or minor field, certified by institution;
- b. Course work or approved program not leading to a degree;
- c. Work experience;
- d. Successful teaching experience;

6. Appeals. An individual teacher or Education Association may appeal any violation of certifications regulations relating to assignments to the Licensure Commission which shall serve as a board of review. The Commission shall have the authority to investigate, to make public its findings, and to inform a delinquent School Board of its obligations under regulations.
7. Small High Schools. NEA-Alaska does not recommend any dilution of the endorsement process for small secondary schools in rural Alaska. It recommends increased foundation program funding for rural high schools so that secondary teachers will be available to such schools on a 4:20 ratio (no high schools with fewer than 4 teachers). (Rationale: With increased state funding to provide for a minimum of four teachers, rural school boards can reasonably be required and expected to recruit teachers with combinations of endorsements necessary to fulfill the basic requirements of a high school program.)
8. Orientation for Rural Teachers. NEA-Alaska and its local affiliates should strongly encourage local districts to provide rural training sessions in regional population centers for newly-hired teachers prior to their arrival at duty stations. This training should be planned and delivered by former teachers, local boards, community members, DOE personnel, NEA-Alaska, etc. in order to help rural teachers obtain orientation to community life and develop realistic expectations.

CERTIFICATE RENEWAL

In keeping with the movement toward increased teacher input into the development of effective preparation programs for entry into the profession through NCATE approval, and recognizing that licensure connotes a minimal level of preparation required for entry into the profession, NEA-Alaska supports the principle that once obtained the license remains valid for life. Adequate means should be provided to motivate the licensed educator to strengthen the initial preparation which led to certification through incentives such as salary-scale differential for advanced degrees, rewards for in-service participation, professional assignments, etc.

However, for the immediate future NEA-Alaska believes that professional certificates should be renewed periodically under the following conditions:

1. Professional certificates shall be valid for a period of five years and may be renewed. (Rationale: Since field of knowledge, professional skills, and teaching strategies change, renewal of the professional certificate provides evidence that the educator continues to be aware of current professional information and practices through a planned program of professional development.)
2. The Licensure Commission shall determine those professional activities which are appropriate for certificate renewal and shall develop standards and criteria for evaluation of activities. Such activities shall include appropriate university courses, travel, workshops, district-sponsored inservice education, etc.
3. The Licensure Commission shall establish procedures for certificate renewal.

A CRITIQUE
OF
TEACHER CERTIFICATION IN ALASKA

FEBRUARY, 1977

Prepared for the
AFN CERTIFICATION GROUP:
SAM KITO MARY MOSES
JOHN KITO STEVE CROSBY - AFN Talent Search - ASNES

By
Dennis Demmert

A CRITIQUE OF TEACHER CERTIFICATION IN ALASKA

-by Dennis Demmert

"A person may not be employed as a teacher in the public schools of Alaska unless he possesses a valid teacher certificate." (AS 14.20.010)

Teacher certificates are issued by the State of Alaska.

Certification procedures in Alaska are in need of major revision. Some critical problems in Alaska are:

1. CERTIFICATION IS NOT BASED ON QUALIFICATIONS REQUIRED FOR TEACHING.

Certification is awarded, basically, for completing an approved teacher education program. A recent Supreme Court ruling indicates that this may be illegal.

2. THE ONLY WAY TO OBTAIN "TYPE A" CERTIFICATION IS TO COMPLETE A TEACHER EDUCATION PROGRAM, NORMALLY 4 YRS.

Paraprofessional experience, for example, adds nothing to certification eligibility. This may be in violation of Title VII of the Civil Rights Act of 1964.

3. CERTIFICATION DOES NOT REQUIRE ALASKAN-RELATED QUALIFICATIONS.

Many states mandate state-related requirements (e.g., state history). Alaska, with its diverse population and geography, has no such requirements.

4. "RECENCY" CREDITS NEED NOT BE EDUCATION-RELATED.

A certificate is valid for 5 years. Recertification requires 6 credit hours of study. (These are called "recency" credits.) There are no restrictions on what must be studied. Anything, including belly-dancing, presumably qualifies.

5. THE "ENDORSEMENT" CONCEPT IS NOT GEARED TO SMALL HIGH SCHOOLS. IT IS TOO RESTRICTIVE FOR SMALL STAFFS.

"Endorsements" indicate the areas in which a teacher is certified to teach. For example, an elementary ed. endorsement, or a high school English endorsement.

6. TEACHER CERTIFICATION IS CONTROLLED LARGELY BY PROFESSIONAL EDUCATORS WITH LITTLE CLIENT PARTICIPATION

NEA-Alaska's latest proposal seeks even more control for educators over teacher certification.

1. CERTIFICATION IS NOT BASED ON QUALIFICATIONS REQUIRED FOR TEACHING. "Certification" implies that a certified person is qualified to teach. That implication is not necessarily correct. Evaluation is required in order to certify that an individual is indeed qualified. No such evaluation is required for certification.

The main requirement for certification is graduation from and a recommendation from an "approved" teacher education program. The correlation between that graduation/recommendation and qualification must be inferred. The inference is not necessarily correct. In Griggs v. Duke Power Co., the U. S. Supreme Court said:

"The facts of this case demonstrate the inadequacy of broad and general testing devices as well as the infirmity of using diplomas or degrees as fixed measures of capability..... diplomas and tests are useful servants, but Congress had mandated the common-sense proposition that they are not to become the masters of reality."

If Alaska were to establish a standard of qualification for evaluating Alaskan teaching, most new candidates probably would not qualify, since most teachers were educated outside Alaska. One way to deal with the problem would be to provide "provisional" certification until the candidate came up to an acceptable standard. Some states do provide provisional certification.

If carefully revised, teacher certification procedures in Alaska can almost certainly assure that we have qualified teachers to a greater degree than do the current procedures. Unless this happens Alaska may be susceptible to court action.

2. THE ONLY WAY TO OBTAIN "TYPE A" CERTIFICATION IS TO COMPLETE AN APPROVED TEACHER EDUCATION PROGRAM - NORMALLY 4 YEARS.

Approved teacher education programs are not the only way a person might learn to teach satisfactorily, but they are the only way presently available for obtaining certification. There may be solid grounds in the Civil Rights Act for court action. Note the following:

"An important series of court cases decided under or in conjunction with Title VII of the Civil Rights Act of 1964, have specifically held that large segments of the population have in fact been illegally "locked out" of teaching and other professions by present certification standards. These cases have required licensing officials to revamp their methods and assure that all job requirements are demonstrably related to attributes actually need to perform well on the job."¹

The Equal Employment Opportunity Commission (EEOC) has established legally binding guidelines to ensure enforcement of the Civil Rights Act. Alaska's restrictive certification procedures may be in violation.

The teaching profession should not be thrown wide open. Control is necessary, but the control must directly address the issue of qualification - not merely training.

Job descriptions for Alaskan teaching may be required. A candidate for certification would then have to meet the requirements of such a job description.

1. The Study Commission on Undergraduate Education and the Education of Teachers. Teacher Education in the United States: The Responsibility Gap. Lincoln: The University of Nebraska Press, 1976. pp. 120, 121.

Besides teacher training in an approved program, a person might gain some qualification toward teaching through (1.) independently-obtained expertise, or (2.) paraprofessional experience in education.

Neither expertise nor paraprofessional experience are enough, by themselves, to qualify a person to become a satisfactory teacher. With an adequate job description, however, a person's abilities could be measured against the job description. Deficiencies in qualification could then be identified. Once an expert's or a paraprofessional's deficiencies were identified, it would seem possible to provide reasonable means for overcoming those deficiencies. Certification would then become achievable for persons who have the potential to qualify, but who, for a variety of reasons, cannot spend 4+ years in an approved program.

The procedure, then, for providing certification on the paraprofessional track would be (1.) establish fair and adequate job descriptions for teaching in Alaska, (2.) establish fair and valid means for identifying deficiencies in qualifications, and (3.) provide a mechanism (courses, etc.) for overcoming those deficiencies.

The paraprofessional track need not - and should not - be second class. A well thought-out and well organized program could produce high quality teachers.

3. CERTIFICATION DOES NOT REQUIRE ALASKAN-RELATED QUALIFICATIONS.

The United States is such a diverse nation that a single uniform standard for the selection of teachers is not entirely appropriate anywhere in the country. Alaskans are certainly aware of - and usually very proud of - being different from Americans in other parts of the country. And yet, Alaska subscribes to only national standards for the certification of teachers.

In fact, it is possible to obtain certification without ever having seen Alaska. For example, graduates of approved programs at Wartburg College, in Iowa, or Prairie View A & M College, in Texas, or Ozark College, in Arkansas, all may qualify for Alaskan certification simply because they have graduated from those approved schools. No Alaskan-related skills or orientation are required.

Education, including teacher preparation, must be geared to Alaskan needs and goals. Unless teachers are oriented to those needs and goals and the character of their assignments in a methodical way, we have no right to expect consistently satisfactory results from their teaching.

The Native community is especially susceptible to damage from poorly qualified teachers. If teachers are allowed to perform while having minimal awareness of or respect for Native needs, values, aspirations or sense of identity, it is not likely that they will serve us well. The record, to date, bears this out.

4. "REGENCY" CREDITS NEED NOT BE EDUCATION-RELATED.

A certificate is valid for five years. Six credits are required for recertification. There are no requirements regarding the content of those six credits. Both the five-year term of certification and the lack of requirements regarding the content of recency credits should be seriously questioned.

The majority of Alaska's new teachers still come from outside the state. We cannot be so restrictive that we prevent the access we need to those new teachers. We do not, however, need to accommodate their security so easily as we do currently.

Certification can be provided for any period of time, including life-time certification (which NEA-Alaska is proposing). It can also be cut to two years, with the requirement that within those two years, the teacher must study within a range of subjects which would promote his or her ability as a teacher in Alaska.

A strong recertification program which mandates the acquisition of Alaskan-related teaching skills and abilities at the earliest possible date may require some subsidy from the state. A teacher who is compelled to spend part of a summer or summers studying early in his or her career simply may not be able to afford it. On the other hand, we cannot afford to maintain a stream of under-qualified teachers who do not necessarily master teaching in Alaska.

5. THE "ENDORSEMENT" CONCEPT IS NOT GEARED TO SMALL SCHOOLS.

("Endorsements" indicate the areas in which a teacher is certified to teach. For example, an elementary ed. endorsement, or a high school English endorsement, etc.)

Tobeluk v. Lind (the Hootch case under a new name) mandates the creation of small high schools in Alaska.

Tobeluk v. Lind envisions an acceptable standard of education in those schools; however, there is a problem.

The very small size of some of those new high schools, plus the teacher specialization which is so common in high schools will cause staffing problems. How can a high school with less than twenty students provide an adequate program for those students?

Small high schools will need generalists, who can satisfactorily teach a variety of courses, rather than specialists who would teach only one subject.

Endorsements should be based on teaching abilities - not on need alone. We should not certify a teacher to teach anything and everything simply because he or she will be teaching in a very small high school. That would be short-changing the students who are most in need of qualified teachers.

Endorsements is not solely a certification issue. In conjunction with certification development regarding endorsements, Alaskan teacher education programs must address the issue and provide answers. A failure to respond adequately to small high school needs may violate the intent of Tobeluk v. Lind.

6. TEACHER CERTIFICATION IS CONTROLLED LARGELY BY EDUCATORS.

Teacher certification in Alaska is tied closely to teacher education in "approved" programs. That is, a person must graduate from an approved teacher education program in order to obtain certification. Teacher education programs in Alaska are approved by the Teacher Education Certification Advisory Board (TECAB). TECAB is responsible to the State Board of Education. TECAB is made up of nine members: (1.) an elementary teacher nominated by NEA-Alaska, (2.) a high School teacher nominated by NEA-Alaska, (3.) an NEA-Alaska representative, (4.) a University of Alaska School of Education representative, (5.) a representative of private institutions' schools of education, (6.) a representative of the Commissioner of Education, (7.) a School Superintendent's Association representative, (8.) a Professional Teaching Practices Commission representative, and (9.) a representative of the Alaska Association of School Boards.

TECAB is the nearest thing Alaska has to a certification board. At least eight of its current membership are professional educators. Most, if not all, of those are or have been practicing teachers in Alaskan public schools.

NEA-Alaska is recommending a "Licensure Commission" composed of no less than 15 members, with 80% practicing licensed teachers.

There is a clear, logical and defensible rationale for public control (as opposed to professional control) of teacher certification.

Educational needs and goals must be defined by the Alaskan community. In turn, those needs and goals should determine the nature of the educational facilities and personnel needed to meet the needs and fulfill the goals. The characteristics and qualifications of the required educational personnel cannot be determined independently of the needs and goals defined by the community served.

In addition, the interests of teachers and the rest of the public are not one and the same. In spite of some overlap, there are also diametrically opposed interests. For example, the public is the employer, and the teacher is the employee. The public has one set of interests, as employer, and the teachers have another set of interests as employee.

It is not the employee who determines the qualifications of other employees - it is the employer who has the prerogative to determine the qualifications of employees. The public interest must take precedence.

Teacher participation is probably desirable on a teacher certification board, but the teacher role should be limited. A teacher might provide some insight into the feasibility of certain actions which the board might consider. A teacher member of a certification board should not be free to represent the special interests of teachers. That is not what certification is about.

HB

950

613 Fourth Street
Juneau, Alaska 99801
May 2, 1978

Dear Representative Charles Parr:

I recently heard that there is a bill in the Legislature that would enable students to borrow money through the state's student loan program in order to finance education at foreign schools.

Several years ago I attended Nova Scotia College of Art and Design in Halifax, Nova Scotia. I chose that school not only because I was interested in seeing Nova Scotia, but also because I was unable to find any school in the United States at that time which offered a degree in environmental design with an emphasis on rural land use planning. American universities were almost solely offering urban planning which held no interest for me. I would like to return to school in Halifax but recently discovered that the student loan program cannot lend for foreign schools. This would mean that I would have to postpone my plans for continuing my education or search for an American school which may not have the specific courses that interest me.

I believe that the loan program was established to aid Alaskans in pursuing higher education and feel that the restrictions on where those schools may be to be a hindrance to my pursuit of an education in rural land use planning. If the problem is one of accreditation, perhaps the list of veteran's approved programs could be a guideline for state loan program approval as well.

I strongly support this bill and urge its passage in the Legislature.

Sincerely,

Pamela Lesh

Pamela Lesh

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 950
 Title An Act relating to student loans for foreign colleges
 Requested by HESS Date May 2, 1978

II. FISCAL DETAIL

Agency Affected Education
 Program Category Affected Education
 Budget Request Unit(s) Affected Alaska Commission on Postsecondary Education

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

No Fiscal impact.

IV. DATE May 2, 1978 PREPARED BY *Berg...*
 AGENCY Alaska Commission on Postsecondary Education
 PHONE 465-2854
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

FOURTEEN SJ
JAY S. HAMMOND, GOVERNOR

907-465-2855
Pouch F — State Office Building
Juneau 99811

M E M O R A N D U M

TO: The Honorable Charles Parr
Alaska House of Representatives

FROM: Kerry D. Romesburg, Executive Director
Alaska Commission on Postsecondary Education

DATE: April 21, 1978

I understand that Mr. Lloyd Robinson has discussed some changes in the student loan program with you. Specifically, he would like students attending foreign institutions (approved by the Commission) to be eligible for participation in the State student loan program. He has asked that I send you suggested language which would accomplish this, since the current legislation prohibits such eligibility.

If you wish to amend our law to provide for this possibility, I would suggest the following:

Amend Sec. 14.40.763 (b). The loans may be used to attend a career education program approved by the Commission, [OR] a college or university accredited by the accreditation association for the region in which the college or university is located, or a foreign college or university approved by the Commission.

HB

952

Michael - packer, jr

04-D3LH

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

May 1, 1978

The Honorable Charles Parr
Chairman
House Health, Education &
Social Services Committee
Alaska State Legislature
State Capitol Building - Room 112
Juneau, Alaska

Re: House Bill No. 952

Dear Mr. Parr:

House Bill No. 952, an Act providing for the issuance of general obligation bonds in the amount of \$194,859,907 for the purpose of paying the cost of constructing, repairing, equipping and upgrading school facilities, was introduced in the House on April 28, 1978 and was referred to the House Health, Education and Social Services Committee and the House Finance Committee.

The State's Bond Counsel, Mr. C. Richard Walker of Orrick, Herrington, Rowley and Sutcliffe has advised that general obligation bonds of the State and nearly all other state and local government bonds are issued in the denomination of \$5,000, the standard unit.

Using House Bill No. 952 as an example, according to Mr. Walker, this would result in issuing less than the total amount of bonds authorized or in issuing one odd bond in the denomination of \$4,907 along with 38,971 bonds in the usual denomination of \$5,000.

Issuing a bond in an odd denomination requires extra time, expense and confusion in connection with the preparation of the resolution, notice of sale, official statement and other documents relating to the bonds, the printing of one odd bond with all of its special coupons, and all of the accounting and paying activities.

On the other hand, it would be highly unusual to find an estimate of expenditures, used in connection with determining the principal amount of nearly a one hundred and ninety-five million bond issue, that was within \$5,000 of being a perfectly precise estimate. Consequently, it is respectfully recommended that your Committee round off the principal amount of the proposed bond issue to the nearest \$5,000 and make an adjustment of one of the projects enumerated in the bill to conform with the adjustment.

Reference is made to Section 3 of the bill which provides in part that the amount of \$68,000 or as much of that amount as is found necessary is appropriated from the general fund of the state to the state bond

committee to carry out the provisions of the Act and to pay expenses incident to the sale and issuance of the bonds authorized in the Act.

It appears that either an arithmetical or typing error was made in listing the amount of \$68,000 for selling expenses. The normal formula for calculating selling expenses is to use a factor of .0035 times the principal amount of the bonds to be issued.

Thus the principal of \$194,859,907 X .0035 would result in the amount of \$682,009 for selling expenses or rounded to \$680,000.

Very truly yours,



R. D. Stevenson
Special Assistant

cc: The Honorable Steve Cowper
Chairman
House Finance Committee
Alaska State Legislature
State Capitol Building
Juneau, Alaska

Sterling Gallagher
Commissioner of Revenue
Secretary, State Bond Committee

David Klemmer, Debt Manager
Treasury Division
Department of Revenue