

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

5263 SHES SB 203 - SB 226

835

SB

203

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____
 Revision Date: _____
 Title: RE: Flight Training Student
 Loans
 Sponsor: Bennett
 Requestor: Senate HESS

Bill Version: SB 203
 Publish Date: 3/20/87

Agency Affected: Education
 BRU: Postsecondary Commission
 Components: Student Loan Admin.
 Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-
CAPITAL	N.A.	-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	N.A.	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Kerry D. Romesburg Executive Director Phone: 465-2854
 Division: Postsecondary Education Commission Date: _____

Approved by Commissioner: _____ Date: _____
 Agency: _____

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

BACKGROUND AND DISCUSSION

Bill Summary: SB 203 restricts borrowing for flight training programs to attendance in Alaska, unless the program is unavailable in-state.

Borrowing Pattern: In 1986-87, 432 Alaskans borrowed for flight training programs, accounting for just over \$2.0 million. The distribution for FY87 was:

	Alaska		Out-of-State		Total	
	No.	%	No.	%	No.	%
Number of Loans	295	68.3	137	31.7	432	100.0
Amount of Loans	\$1,457,900	70.0	\$624,200	30.0	\$2,082,100	100.0

Issue :

1. If students are restricted to in-state training, can the in-state schools accommodate their needs?

Response. Yes, as long as there is the option for out-of-state attendance for those programs unavailable in Alaska.

2. How does the cost of flight training compare in-state with out-of-state?

Response. In Fall, 1986 the Commission conducted a study of vocational training costs in-state compared to out-of-state. The findings revealed that flight training expenses were comparable both in-state and out-of-state.

3. Can a student obtain rating certification more rapidly out-of-state?

Response. Generally, yes. Two factors enter into this. —First, students who attend out-of-state tend to dedicate more full-time attention to completing their training as quickly as possible. This saves room and board expenses. And, second, Alaska weather is unpredictable during many weeks and actually not suited for flight training during a few weeks. Some states have a more stable climate or one which is better for flying many days in succession.

4. Is the quality of flight training any better in Alaska or out-of-state?

Response. There is little evidence to suggest that flight training is superior in either generalized case. Some persons argue that an individual training in Alaska is better able to handle Alaska flying conditions, but this is a subjective judgement.

Fiscal Impact: A fiscal note is attached. The impact is estimated at zero, but it is possible that some persons wishing to obtain flight training out-of-state could elect to forego training altogether. If so, there could be some program savings.

S B

2 0 8

STEVE COWPER, GOVERNOR

DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

GOLDBELT PLACE
801 WEST 10th STREET
POUCH F
JUNEAU, ALASKA 99811

February 6, 1987

The Honorable Steve Frank
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

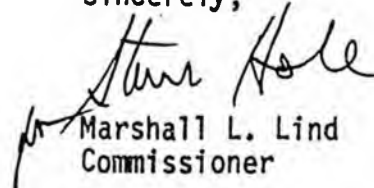
Dear Representative Frank:

Attached are reports on recommendations of the Pupil Transportation Funding Committee that you requested.

The Department of Law has advised us that a statutory change is necessary in order to implement the interim funding method proposed by the Committee. Attached is a copy of revised statutory language which has been submitted to the Governor's Office for consideration.

If you have questions regarding this material, please contact Romayne Kareen, the department's Administrator of Pupil Transportation Services, at 465-2865.

Sincerely,


Marshall L. Lind
Commissioner

Attachments

cc: Steve Hole
Larry Huxel
Jim Tozer

MEMORANDUM

State of Alaska

TO: Members of the State Board of Education

DATE: December 31, 1985

THRU: Harold Reynolds, Jr.
Commissioner of Education

FILE NO.: 86-78

TELEPHONE NO.: 465-2865

FROM: *[Signature]*
Larry Huxel, Director
Educational Finance and Support Services

SUBJECT: Report of Pupil Transportation Funding Committee

- and -

Romayne Kareen, Administrator *[Signature]*
Pupil Transportation Services

Legislative intent accompanying the Department's FY86 appropriation for pupil transportation required that the Department develop and present to the 1986 Legislature a funding plan for pupil transportation that will provide incentives to local school districts for cost control.

The Department appointed a committee consisting of superintendents, business managers, transportation directors and school bus contractors to assist in developing the required plan. The Committee met five times and developed the attached report. Participating members included:

Guy Bellville, Controller
Anchorage School District

Steve Kalmes, Transportation Director
Anchorage School District

Richard Leath, Superintendent
Bristol Bay School District

Marcy White, Business Manager
Copper River School District

Loretta Nistler, Bus Contractor
Delta/Greely School District

Bob Shefchik, Transportation Director
Fairbanks School District

Tom Hyatt, Bus Contractor
Anchorage and Fairbanks Districts

Richard Swarner, Business Manager
Kenai School District

John Witteveen, Asst. Supt.
Kodiak School District

Saundra Hutchins, Transportation Dir.
Mat-Su School District

Tom Armour, Business Manager
Yukon Flats School District

Jim Paul, Superintendent
Railbelt School District

Larry Huxel, Director, EFSS
Department of Education

Romayne Kareen, Administrator
Pupil Transportation - Dept. of Educ.

The Committee reviewed historical cost data and concluded that districts have become more efficient in administering transportation programs, and that the competitive proposal process required by 4 AAC 27.085 has been effective in containing transportation costs.

It is the concensus of the Pupil Transportation Funding Committee and the Department of Education that funding for pupil transportation should continue at 100%. If state funding is not adequate to cover statewide approved transportation costs, the Department will prorate the appropriation to all districts with transportation services. Proration will require districts to either reduce transportation services or use local dollars to cover deficits. The report outlines services that districts may be forced to reduce.

We respectfully request that the State Board of Education accept this report for transmittal to the 1986 Legislature.

Attachment
RMK:pg

Department of Education
PUPIL TRANSPORTATION FUNDING COMMITTEE REPORT
December 30, 1985

The purpose of this report is to inform the Legislature of actions taken by the Department of Education to comply with intent which accompanied the Department's FY 1985-86 appropriation for pupil transportation. The two-part intent reads as follows:

It is the Legislature's intent that the state's FY-86 costs for pupil transportation be contained at the FY-85 level.

Further, the Department of Education is directed to develop and present to the 1986 Legislature a funding plan for pupil transportation which will provide incentives to local school districts for cost control.

CONTAINMENT OF FY-86 COSTS

The FY 1985-86 pupil transportation appropriation is less than one percent higher than the FY 1984-85 appropriation. Although most contract rates increased by cost of living which exceeded the one percent increase, it does appear that the FY-86 appropriation will be adequate to cover current year approved statewide transportation costs. This is due in part to a ceiling being placed on reimbursement for Anchorage district-operated transportation, and a reduction of new contract costs in the Fairbanks district.

The appropriation would not be adequate, however, if considerable growth took place in districts or if the ceiling on reimbursement to Anchorage was not in place. During the 1985-86 school year, the Anchorage District will contribute approximately \$1,500,000 in local dollars to its transportation program.

FUNDING PLAN

The department appointed a Pupil Transportation Funding Committee comprised of school district superintendents, business managers, transportation coordinators, school bus contractors, and Department of Education representatives to review the intent language and provide input for the plan. The committee met five times and arrived at the following conclusions:

1. The current competitive process required by 4 AAC 27.085 for awarding pupil transportation contracts has been effective in containing costs for regular route transportation. Historical cost data indicates that the average annual cost per student transported on regular transportation routes (students living beyond 1.5 miles from school)

Department of Education
Pupil Transportation Funding Committee Report
December 30, 1985

decreased by 1.9 percent from FY 1978-79 to FY 1984-85. During this same period the cost of living has increased 50.1 percent and the appropriated Foundation cost per student has increased 130 percent. These patterns are shown below:

	<u>FY 1978-79</u>	<u>FY 1984-85</u>	<u>% OF CHANGE</u>
Regular Route Cost per Student	\$ 494.86	\$ 485.47	- 1.9%
CPI-U Index	188.5	283.1	+ 50.1%
Appropriated Foundation Cost per Student	\$ 2152.00	\$ 4951.00	+130.0%

Districts have contained costs by becoming efficient in managing transportation programs and by generating competition for new contracts.

2. The cost of transporting special education students continues to increase. The average annual cost per student transported on special education routes increased by 24.4 percent from FY 1978-79 to FY 1984-85. The FY-79 average cost per student was \$3,086.26, and the FY-85 cost was \$3,838.00.

While Federal requirements, through the individualized education program (IEP) process, are intended to provide transportation services to special education students, we believe that a review of services actually provided in Alaska compared with services required by Federal law will need to be completed in order to contain costs. Examples of areas to review include when to provide door-to-door service and when aides are needed on special education buses. Additionally, appropriate guidelines need to be written to properly certify the necessary level of transportation service.

3. Transportation costs will continue to rise. Contract rates will rise due to a number of factors, including the growing numbers of students, the cost of living increases, and higher costs for wages, insurance, replacement buses, etc. Attempts have been made to contain these costs through cost of living and insurance escalator clauses in contracts. Additionally, emphasis on safety and training will cause costs to go up. The state will need to consider these increased costs through increased appropriations.

Department of Education
Pupil Transportation Funding Committee Report
December 30, 1985

4. The state appropriation should provide 100 percent reimbursement for regular, special education, and other conveyance routes, and 50 percent reimbursement for hazardous routes to all districts with school transportation services. We believe the competitive process required by 4 AAC 27.085 has been effective in controlling costs and should remain intact. A review of special education transportation needs to take place to determine the level of service for which the state will provide reimbursement.

5. If the state appropriation and reimbursement to districts is less than 100 percent, districts will be forced to absorb costs at the local level or to reduce services. If the state appropriation is less than 100 percent, it will be prorated among districts with transportation services. Use of local dollars to absorb the deficit could mean taking dollars away from classroom programs.

Reduction of service could include any one or combination of the following:

- A. Eliminating transportation services and having parents transport their children.
- B. Eliminating hazardous route transportation.
- C. Extending the walking distance beyond 1 1/2 miles for some or all grade levels, up to the elimination of transportation services for high school students.
- D. Charging students for riding the school bus.
- E. Changing school start/dismissal times for maximum utilization of buses where feasible.
- F. Extending the useful life of a school bus to keep costs down.

SUMMARY

It is the consensus of the Pupil Transportation Funding Committee and the Department of Education that, from FY-79 to FY-85, districts have become more efficient in administering transportation programs, and that the competitive proposal process required by 4 AAC 27.085 has been effective in containing transportation costs.

It is also the consensus of the Committee and the Department that state

Department of Education
Pupil Transportation Funding Committee Report
December 30, 1985

funding for pupil transportation should continue at 100 percent. If state funding is not adequate to cover statewide approved transportation costs, the Department will prorate the appropriation to all districts with transportation services. Proration will require districts to either reduce transportation services, or use local dollars to cover deficits.

Special education transportation continues to be a high cost service and will be reviewed with guidelines to be established for determining level of transportation services. Additionally, 4 AAC 27 Regulations, Transportation of Pupils, will be reviewed for potential update and modification. These reviews will take place during the 1986 calendar year.

MEMORANDUM

State of Alaska
Department of Education

TO: Pupil Transportation
Funding Committee

DATE: October 24, 1986

FILE NO: 2176M

TELEPHONE NO: 465-2865

FROM: Romaine Kareen, Administrator
Pupil Transportation Services

SUBJECT: Meeting on 10/31/86

Commissioner Lind has directed Jim Tozer and myself to submit to him no later than February, 1987 a proposal for a different way of allocating pupil transportation reimbursement to districts, and revised regulations which incorporate the proposed allocation method.

It is his desire, and ours, to remove the department from the process of approving contracts, new routes, extensions, bus purchases, in-lieu-of agreements, etc. We would like to give districts annual allocations, with amounts known in advance for local budget planning, to be used as districts deem necessary for pupil transportation services in their areas.

To assist us in meeting the Commissioner's directive, we are requesting assistance from the Pupil Transportation Funding Committee, and are therefore holding a meeting of the Committee on Friday, October 31, 1986 from 9:00 am - 4:00 pm in Room 202 of the Anchorage School District Administration Building, 4600 DeBarr Road.

We are receptive to suggestions from committee members and others on creative ways to fund pupil transportation which will result in equitable distribution of funds, and a minimum of paperwork by districts, contractors, and the department.

Ideas which have surfaced thus far include:

- a. Reimburse percentage of actual costs as reflected in school district audit report.
- b. Calculate percentage of previous three-five years' appropriations that each district received, and reimburse same percentage allocation for next three-five years' appropriations.
- c. Reimburse set dollar amount per ADM, whether or not student rides the bus. Apply multiplier factor for regions of the state same as foundation program.
- d. Reimburse on a formula method using unit values per student, mile, bus, or combination.

Enclosed are comments we previously received on transportation funding, and also a review which was done by the State of New York on funding methods in eight states. This material should generate additional ideas for discussion at our meeting.

For information purposes, the FY-86 pupil transportation appropriation was \$23,134,000, which covered 94.3% of approved statewide costs. The FY-87 appropriation is \$21,170,900, and may cover only 80% of approved statewide costs. The budget request for full funding for FY-88 is \$25,411,072, or \$4,240,172 more than the current appropriation. Our confidence level is not high that we will receive the additional funds.

We hope to see as many of you as possible on the 31st. We sincerely want your ideas and suggestions, and will appreciate your sharing them with us.

Enclosures

cc: Marshall Lind, Commissioner
Jim Tozer

PUPIL TRANSPORTATION FUNDING COMMITTEE
10/24/86

Guy Bellville, Controller
Anchorage School District

Richard Leath, Superintendent
Bristol Bay School District

Loretta Nistler, Bus Contractor
Delta/Greely School District

Tom Hyatt, Bus Contractor
Anchorage and Fairbanks Districts

John Witteveen, Asst. Supt.
Kodiak School District

Tom Armour, Business Manager
Yukon Flats School District

Jim Tozer, Education Admin.
Department of Education

Steve Kalmes, Transportation Director
Anchorage School District

Marcy White, Business Manager
Copper River School District

Bob Shefchik, Transportation Director
Fairbanks School District

Richard Swarner, Business Manager
Kenai School District

Sandra Hutchins, Transportation Dir.
Mat-Su School District

Jim Paul, Superintendent
Railbelt School District

Romayne Kareen, Administrator
Pupil Transportation - Dept. of Educ.

MEMORANDUM

State of Alaska
Department of Education

TO: Marshall L. Lind
Commissioner

DATE: November 19, 1986

FILE NO: 2407M

TELEPHONE NO: 465-2865

FROM: ^{R/K} Romaine Kareen, Administrator
Pupil Transportation Services

SUBJECT: Report on Pupil
Transportation Funding
Committee Meeting
October 31, 1986

The Pupil Transportation Funding Committee, comprised of Superintendents, business managers, transportation coordinators and school bus contractors, met in Anchorage on October 31, 1986 to discuss alternate ways of funding pupil transportation.

It was the consensus of the group that an interim funding plan be adopted for the next two fiscal years while we continue to work towards a long term solution.

The proposed interim plan is as follows:

FUNDING - Each district would receive an allocation based on pupil transportation reimbursement received during the last five years, divided by the last five years accumulative statewide pupil transportation payments.

Example: If Anchorage received 33% of statewide pupil transportation payments over the last five years, the district would receive 33% of whatever the pupil transportation appropriation is for FY 1987-88 and FY 1988-89.

REGULATIONS - Regulations would address safety of equipment (minimum construction standards and vehicle inspection); training of drivers; training of instructors; accident reporting; insurance requirements; statistical reporting requirements; method for determining allocations; and state monitoring of reasonableness and accuracy of data used to determine allocations.

The proposed long term plan currently being discussed is as follows:

FUNDING - During the current and next fiscal year, collect data on levels of transportation services provided; costs of district-operated and contracted services; numbers, sizes and types of buses operated; miles traveled; students transported; road conditions; and climatic impact. Devise a method of allocating funds based on what is happening in districts cost-wise and service-wise.

REGULATIONS - Regulations would be similar to those proposed for short term plan, with refinement of determination of allocations.

The department is in the process of determining allocations based on the previous five years payments, and will distribute this information to committee members by December 3rd. We are also drafting proposed regulations and reporting forms for discussion at the next meeting of the committee scheduled for December 12th in Anchorage.

A final report ~~with~~ of proposed future funding of pupil transportation, and accompanying regulations, will be submitted to you in February, 1987.

cc: Larry Huxel
Jim Tozer

MEMORANDUM

State of Alaska
Department of Education

TO: Tom Wagner
Assistant Attorney General
Department of Law

DATE: December 23, 1986

FILE NO: 2640M

TELEPHONE NO: 465-2800

FROM: Steve Hole
Deputy Commissioner
Department of Education

SUBJECT: Revision of Pupil
Transportation
Regulations

Attached is a draft copy of "conceptual" regulations agreed to by the Pupil Transportation Funding Committee. These regulations when finalized would replace those currently in 4 AAC 27.

I would appreciate your reviewing the draft and letting me know as soon as possible if AS 14.09.010 would prevent implementation of the concepts.

We would like to have the regulations presented at the January meeting of the State Board of Education.

Thanks for your assistance.

Attachment

cc: Larry Huxel
Jim Tozer
Romaine Kareen

SAFETY REGULATIONS:

1. Minimum Standards for Vehicles -

a. All school buses transporting pupils must meet the minimum standards for Alaska school buses in effect on date of manufacture of bus.

b. The following handbooks are adopted by reference as the minimum standards for school buses in Alaska:

(1) For school buses manufactured before January 2, 1982

(A) Minimum Standards for School Buses, 1970 Edition, published by the National Commission of Safety Education, National Education Association, 1201 16th Street, N.W., Washington, D.C. 20036; and

(B) Minimum Standards for Alaska School Buses, Third Edition (Revised), 1980, published by the department.

(2) For school buses manufactured after January 1, 1982

(A) National Minimum Standards for School Buses, 1980 Edition, published by the National Safety Council, 444 North Michigan Avenue, Chicago, Illinois 60611; and

(B) Minimum Standards for Alaska School Buses Manufactured after January 1, 1982, 1981 Edition, published by the department.

12/17/86

Steve -

Here are the "concept" 1975. agreed to by the Pupil Transportation Funding Comm at its meeting 12/12/86. We like to have them ready for packet 1/15/87. Could we

review you' up on 12/21

Thanks your assist Pormay.

2. Inspection of Vehicles -

a. All school buses transporting pupils must receive regular twice-yearly safety inspections conducted by the Department of Public Safety or other agency approved by the Department of Education. The inspections must be conducted before the first day of school and January 15 of each school year.

b. School districts must maintain on file for at least three years a copy of the completed Alaska School Bus Safety Inspection Report for each bus for each inspection.

3. Vehicle Capacity -

a. The passenger capacity of a pupil transportation vehicle is determined based on the manufacturer's rated capacity (13-inch seating space) for elementary school children (K-8) and two-thirds of the manufacturer's rated capacity for students in grades nine through twelve.

b. Passengers may not be permitted to stand when the school bus is underway.

~~4. Accident Reporting -~~

a. A school bus contractor or school district operating pupil transportation vehicles must complete the Alaska School Bus Accident Report Form within 24 hours of an accident. The report must be submitted to the department within three days following the accident.

b. An accident is defined as that occurrence in a sequence of events which usually produces unintended injury, death or property damage.

c. The report must be completed whether pupils are present or not if the accident involves any amount of property damage (in excess of \$) or personal injury or fatality to:

- (1) occupants in the bus (pupils, drivers or other persons);
- (2) occupants of any other vehicle(s) involved in the accident;
- (3) non-occupants of the school bus or other vehicle (e.g., students in the loading or unloading zone, pedestrian bystanders, etc.).

INSURANCE REQUIREMENTS:

1. The school bus contractor or school district operating pupil transportation vehicles must secure and maintain in effect during the period when pupils are transported liability insurance coverage of not less than one million dollars combined single limit, including coverage for injury or death to passengers. Districts may require higher limits of liability.
2. The district must have on file evidence of required insurance coverage consisting of a certificate(s) of insurance which provides a minimum of 60 days advance written notice to the district of cancellation or material change in the policy.
3. For district-operated transportation systems, the district must have on file either the required certificate of insurance or other evidence showing that the requirements of this section are being met through self insurance.
4. The district may require the contractor to name the district as an additional insured under the policy.

REIMBURSEMENT ENTITLEMENT:

1. Effective for Fiscal Years 1987-88 and 1988-89, each school district providing transportation services for students to and from school is entitled to receive reimbursement from the department based on the ~~following~~ method *described below, or actual transportation costs, whichever is less:*

a. For districts that received pupil transportation reimbursement from the department for the five year period beginning fiscal year 1981-82 and ending fiscal year 1985-86:

(1) an allocation will be established based on reimbursement received during this period, divided by the accumulative statewide pupil transportation payments during this period.

(2) this allocation percentage will apply to 98% of the pupil transportation legislative appropriations for fiscal years 1987-88 and 1988-89.

b. For districts that received pupil transportation reimbursement from the department for a portion or none of the five year period beginning fiscal year 1981-82 and ending fiscal year 1985-86:

(1) an allocation will be established based on costs

approved by the department for fiscal years 1987-88 and 1988-89.

(c) the balance of unallocated funds at the close of the fiscal year will be distributed to districts according to the allocation percentages established pursuant to 1.(a) of this section.

2. Districts are not required to provide transportation services. The local school board will determine what services, if any, will be provided. Reimbursement entitlement will be paid only if services are provided.

Staff - Please use amended wording below. Thank!
Bormayne

~~3. Reimbursement entitlement will be made in nine equal payments on the first working day of each month commencing with September 1.~~

4. Reimbursement entitlement shall be withheld until required reports are submitted.

Reimbursement Entitlement: (Amended)

3. Payment to eligible districts for the allocation established under this section will be distributed in the following manner:
- a. Commencing with September 1 and continuing through February 1, two-thirds of the annual allocation initially determined will be distributed in six equal installments.
 - b. The remaining one-third of the annual allocation will be distributed in three equal installments commencing March 1, subject to the availability of funds as determined by the Department.

REQUIRED REPORTING:

1. Districts with pupil transportation services will submit the following reports to the Department:

- a. By October 15th of each year, a preliminary estimate of pupil transportation expenditures and other statistical data for the ensuing fiscal year on forms provided by the Department.
- b. By August 15th of each year, a final report of pupil transportation expenditures and other statistical data for the preceding fiscal year on forms provided by the Department.
- c. By December 15th of each year, a revised estimate of pupil transportation expenditures and other statistical data for the current fiscal year.
- d. At times specified by the Department, reports on student load counts.
- e. Reports on school bus accidents on forms provided by the Department.
- f. Other reports as required by the Department.
- g. Allocation of annual pupil transportation expenditures between special education and regular transportation should be based upon generally accepted

accounting treatment.

2. The Department may field audit at any time the reports submitted by districts.
3. Records will be maintained for not less than three years or as required by local school district policy, whichever is longer.

LICENSING AND TRAINING OF SCHOOL BUS DRIVERS:

1. Licensing -

a. A person may not drive a school bus transporting school children until the person has applied for and has been issued a license for that purpose under AS 28.15.046.

b. Effective September 1, 1987, drivers applying for an initial school bus driver permit who have not for the previous two years been licensed by the state to operate a school bus, must first complete a state approved school bus driver training course.

2. Approved School Bus Driver Training Program -

a. The department will consider contractor training programs required by contract between the district and the contractor as approved for the duration of the existing contract.

b. All drivers not covered by 2.a. of this section must receive a minimum of 10 hours of ^{see service} training in the following subjects during fiscal year 1987-88: loading and unloading procedures; student management; safety and emergency procedures; pre-trip inspection; bus

components; first aid; defensive driving, driving skills, and student rider procedures.

c. Local Training Plan:

(1) Districts must submit a local school bus driver training plan to the department for approval pursuant to the following schedule:

- By September 15, 1987 - Districts with bus contracts which expire June 30, 1988.
- By February 15, 1988 - Districts with district-operated transportation systems.
- By September 15, 1988 - Districts with bus contracts which expire June 30, 1989.
- By September 15, 1989 - Districts with bus contracts which expire June 30, 1990.
- By September 15, 1990 - Districts with bus contracts which expire June 30, 1991.
- By September 15, 1991 - Districts with bus contracts which expire June 30, 1992.

(2) Approval of the plan constitutes approval of the school bus driver training course required by AS 14.07.020(a)(14).

(3) The plan for districts with district-operated transportation systems must be implemented on or before July 1, 1988.

(4) The plan for districts with contracted service must be implemented on or before July 1 of the calendar year in which the current contract expires.

(3) The local plan will be updated by the district as required by the department.

(4) The local plan will contain at a minimum the number of required pre-service and in-service training hours by subject, training record forms including evaluation reports, statement as to whether certain training may be waived for experienced drivers, and detailed procedures for waiver process.

3. Certification of Instructors -

a. Persons who have completed a department approved school bus driver training instructor certification program will be certified as school bus driver instructors.

- b. The certification will be valid for three years.
- c. To be eligible for certification renewal, the instructor must

- (1) submit an application to the department

- (3) ~~(2)~~ have completed a department approved instructor training refresher program

- (2) ~~(3)~~ have conducted at least one training program annually meeting requirements of an approved local training plan, *or have prior approval of the Department to enter refresher program.*

4. Certification of Drivers -

- a. School bus drivers must meet requirements of the local training plan for their area.

- b. Training must be ~~conducted~~ by a department certified school bus driver training instructor.

- b.* An initial certification will be issued by a department certified instructor upon successful completion by the driver of the pre-service requirements of the local plan. ~~The certification will be valid for one year.~~

- ~~d. To be eligible for certification renewal, the driver must~~

~~THE C. P. O. OF THE DISTRICT OF COLUMBIA, D. C.~~

Definitions:

Route miles (Steve - wording to be forthcoming)

1/26/87 DRAFT 0272M

CHAPTER 09. TRANSPORTATION OF PUPILS

AS 14.09.010 and 14.09.020 REPEALED

PROPOSED NEW LANGUAGE

Sec. 14.09.010 TRANSPORTATION OF PUPILS. (a) School districts may provide for the transportation of pupils.

(b) School districts which provide transportation services to pupils are eligible to receive funding from the state under regulations to be adopted by the department.

Chapter 09. Transportation of Pupils.**Section**

10. Transportation of pupils
20. Transportation for nonpublic school students

Sec. 14.09.010. Transportation of pupils. (a) The department may provide for the transportation of pupils who reside a distance from established schools, and in order to accomplish that purpose may

(1) require school districts to enter into contracts with the department for the administration, supervision, operation or subcontracting of the operation of transportation systems for students to and from the schools within their service areas;

(2) require all school districts, transportation contractors and other recipients of state transportation funds to submit to the department an annual report, which includes a financial statement and other operational data required by the department;

(3) permit school districts to (A) establish supplementary systems of student transportation for students ineligible to utilize transportation facilities paid for by the state, (B) charge fares or fees for the supplementary transportation systems, and (C) use local funds to pay, in whole or in part, the cost of the supplementary system.

(b) Each school district mentioned in (a) (1) of this section is entitled to receive reimbursement from the state for the operation of the transportation system on a unit cost basis determined by the department.

(c) The school board of a district, or the department for areas not within school districts, shall designate as hazardous those routes which cannot be safely traveled by children not served by school bus. The designation may recognize hazards that exist only part of the time and in these instances the designation shall be applicable only during the time the hazards are found to exist. The board or the department shall provide for the transportation of pupils on routes designated as hazardous. The additional cost of the transportation in a district shall be shared equally by the district and the department. Eligibility to receive school bus service on routes designated as hazardous shall not be subject to restrictions based on the minimum distance between established schools and the residences of pupils. (Sec. 1 ch 98 SLA 1966; Sec. 1 ch 39 SLA 1966)

Sec. 14.09.020. Transportation for nonpublic school students. In those places in the state where the department or a school district provides transportation for children attending public schools, the department also shall provide transportation for children who, in compliance with the provisions of ch. 30 of this title, attend nonpublic schools which are administered in compliance with state law where the children, in order to reach the nonpublic schools, must travel distances comparable to, and over routes the same as, the distances and routes over which the children attending public schools are transported. The commissioner shall administer this nonpublic school student transportation program, integrating it into existing systems as much as feasible, and the cost of the program shall be paid from funds appropriated for that purpose by the legislature. (Sec. 1 ch 157 SLA 1972)

STATE AID:

1. Effective for Fiscal Years 1987-88 and 1988-89, each school district providing transportation services for students to and from school is entitled to receive state aid from the department based on either the method described below, or actual transportation costs, whichever is less:

- a. For districts that received pupil transportation reimbursement from the department for fiscal year 1986-87:
 - (1) an allocation will be established based on reimbursement received during this period, divided by the total statewide pupil transportation payments for this period.
 - (2) this allocation percentage will apply to at least 90% of the pupil transportation legislative appropriation for to/from school transportation for fiscal years 1987-88 and 1988-89.
- b. Up to ten percent of the appropriation will be distributed as follows:
 - (1) For districts that received pupil transportation reimbursement from the department for a portion or none of fiscal year 1986-87, an allocation will be established based on costs approved by the department for fiscal years 1987-88 and 1988-89.
 - (2) For districts that require increased service due to increased enrollment, the department may assist with additional funding.
 - (3) For districts that provide educational services to pupils residing outside the district boundaries and attending school in the district, the department will reimburse the district one hundred percent of approved transportation costs providing this arrangement has prior approval from the department.
 - (4) The balance of unallocated funds at the close of the fiscal year will be distributed to districts according to the allocation percentages established pursuant to a.(1) and b.(1) of this section.

2. Districts are not required to provide transportation services. The local school board will determine what services, if any, will be provided. State aid will be paid only if services are provided.

3. Payment to eligible districts for the allocation established under this section will be distributed in the following manner:

- a. On the first day of each month commencing with September 1 and continuing through February 1, two-thirds of the annual allocation initially determined will be distributed in six equal installments. The remaining one-third of the annual allocation will be distributed in three equal installments on the first day of each month commencing with March 1, subject to the availability of funds as determined by the Department.
 - b. The remaining balance of the unallocated funds will be distributed no later than August 15 providing reporting requirements have been met.
4. State aid shall be withheld until required reports are submitted.

STATE OF ALASKA

DEPARTMENT OF EDUCATION

STEVE COWPER, GOVERNOR

GOLDBELT PLACE
801 WEST 10TH STREET
P.O. BOX F
JUNEAU, ALASKA 99811-0500

March 23, 1987

MEMORANDUM

TO: Pupil Transportation Funding Committee

FROM: Romaine Kareen, Administrator *RK*
Pupil Transportation Services

SUBJECT: Alternate Funding Methods

Good News!

- a. CSSB 115, containing \$3,341,000 additional funding for FY-87 pupil transportation, is in House HESS Committee.
- b. Governor Cowper has added \$3,254,300 to his FY-88 budget request bringing the total amount requested for pupil transportation reimbursement to \$18,500,900. This will provide approximately 74.6% funding of statewide costs.
- c. The statute change needed to modify the current method of funding has been transmitted by the Governor to the Senate. I am awaiting a copy of the bill and will send it to you ASAP.

The Department of Law has indicated that we can pursue regulation changes while the statute change is moving through the Legislature. New regs. can be presented to the State Board of Education for promulgation with the notation that implementation is contingent upon passage of SB # .

The Department now needs to decide on the interim funding method that we will pursue for the next two fiscal years while a more finite method is being developed. Appropriate regulations will follow.

Attached is information on four ways to establish district allocations. We would appreciate your written and/or verbal comments by April 6th on the method that you think would be most acceptable to districts.

=====

FUNDING METHOD SUGGESTED BY THE PUPIL TRANSPORTATION FUNDING COMMITTEE

Five Year Percentage Allocation: Each district would receive an allocation based on its total pupil transportation reimbursement received during the last five years, divided by the last five years accumulative statewide pupil transportation payments. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

** See ATTACHMENT A for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

=====

FUNDING ALTERNATIVE #1 - SUGGESTED BY DOE

One Year Percentage Allocation: Each district would receive an allocation based on its total pupil transportation reimbursement received during FY 1986-87, divided by total statewide pupil transportation payments for FY 1986-87. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

** See ATTACHMENT B for estimated allocations under this method. Percentages will need to be updated in August to reflect FY-87 actual reimbursement.

=====

=====

FUNDING ALTERNATIVE #2 - SUGGESTED BY A FUNDING COMMITTEE MEMBER

Higher of 5-yr. or 1-yr. Percentage Allocation: Each district would receive an allocation based on either (a) total pupil transportation reimbursement received during the last five years, divided by the last five years accumulative statewide pupil transportation payments, or (b) pupil transportation reimbursement received during FY 1986-87 divided by FY 1986-87 total statewide pupil transportation payments, whichever is greater. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

The allocation would be determined as follows:

$$DA = \frac{(DHP)(FY88 \text{ Appr.})}{SPT}$$

DA = District's Allocation
 DHP = District's Highest Percentage of 5-yr. or 1-yr. percentage distributions
 FY88 Appr. = FY 1987-88 Pupil Transportation Appropriation
 SPT = Statewide Percentage Total

1. Calculate the percentage that each district received of the previous five years statewide pupil transportation reimbursement (Attachment C, column 2). These percentages will need to be updated at the close of the current year to reflect FY 1982-83 thru FY 1986-87 reimbursement distribution.

Example: Anchorage 35.55603%

2. Calculate the percentage that each district received of the FY 1986-87 statewide pupil transportation reimbursement (Attachment C, column 3).

Example: Anchorage 33.53028%

3. DHP - Determine the higher of the two percentages (Attachment C, column 4).

Example: Anchorage 35.55603%

4. SPT - Add the higher of the two percentages for each district to determine a statewide total percentage. This total will exceed 100%. For example, the total on Attachment C, column 4, line 60 is 104.67399%.

5. FY88 Appropriation - The Governor's FY88 revised budget request for pupil transportation reimbursement is \$18,500,900.

6. DA - To determine the FY 1987-88 allocation for a district, multiply the FY 1987-88 appropriation by the district's high percentage as calculated in step 3. Then divide this amount by the statewide percentage total.

Example: Anchorage FY 1987-88 Allocation: \$6,284,451

$$\$6,284,451 = \frac{35.55603\% \times \$18,500,900}{104.67399\%}$$

The total of all district allocations generated using this formula will equal the pupil transportation appropriation.

6. If a district's actual transportation costs are less than the allocation, the district will be reimbursed actual costs.

** See ATTACHMENT C for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

=====

FUNDING ALTERNATIVE #3 - SUGGESTED BY A FUNDING COMMITTEE MEMBER

Each district would receive an allocation based on the average of its 5-yr. (FY 1983 thru FY 1987) and 1-yr. (FY 1986-87) percentage distributions.

** See ATTACHMENT D for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

=====

** ATTACHMENT E summarizes estimated allocations each district would receive under the four methods.

cc: Larry Huxel
Jim Tozer

FY88 PUPIL TRANSPORTATION

ESTIMATED ALLOCATIONS TO DISTRICTS
 BASED ON FY88 GOVERNOR'S BUDGET REQUEST
 AND FY82 THRU FY86 PERCENTAGE DISTRIBUTION
 PREPARED: 3/23/87

FY88 GOVERNOR'S
 BUDGET
 REQUEST
 \$18,500,900

ATTACHMENT A

BK
3/23/87

SCHOOL DISTRICT	FY82 THRU FY86 PERCENTAGE DISTRIBUTION	FY88 ESTIMATED ALLOCATION
ADAK	0.45764%	\$84,668
ALASKA GATEWAY	1.33771%	\$267,489
ANCHORAGE	35.55603%	\$6,578,186
ANNETTE ISLAND	0.06095%	\$11,275
BERING STRAITS	0.07762%	\$14,360
BRISTOL BAY	0.48604%	\$89,922
CHATHAM	0.01249%	\$2,310
CHUGACH	0.00134%	\$249
COPPER RIVER	1.96034%	\$362,680
CORDOVA	0.18615%	\$34,439
CRAIG	0.03399%	\$6,289
DELTA/GREELEY	1.87973%	\$347,768
DILLINGHAM	0.43253%	\$80,022
FAIRBANKS	16.54720%	\$3,061,381
GALENA	0.12032%	\$22,261
HAINES	0.75447%	\$139,583
HOONAH	0.02051%	\$3,794
IDITAROD	0.06813%	\$12,604
JUNEAU	3.88389%	\$718,554
KAKE	0.11416%	\$21,121
KENAI	12.38385%	\$2,291,124
KETCHIKAN	1.98367%	\$366,997
KING COVE	0.14040%	\$25,975
KODIAK	1.47536%	\$272,955
KUSPUK	0.20544%	\$38,008
LAKE & PENN	0.16052%	\$29,698
LOWER KUSKOKWIM	0.73775%	\$136,490
LOWER YUKON	0.01324%	\$2,450
MAT-SU	11.47316%	\$2,122,638
NENANA	0.43498%	\$80,475
NOME	0.65682%	\$121,518
NORTH SLOPE	0.56463%	\$104,461
PELICAN	0.01368%	\$2,531
PETERSBURG	0.35780%	\$66,197
RAILBELT	0.99881%	\$184,788
S.E. ISLANDS	0.27732%	\$51,306
SAND POINT	0.05146%	\$9,521
SITKA	1.27447%	\$235,789
SKAGWAY	0.01174%	\$2,171
SOUTHWEST REGION	0.18861%	\$34,895
UNALASKA	0.48844%	\$90,366
VALDEZ	1.36835%	\$253,158
WRANGELL	0.26402%	\$48,847
YAKUTAT	0.18560%	\$34,338
YUKON FLATS	0.20277%	\$37,514
YUKON/KOYUKUK	0.09586%	\$17,735
TOTALS	100%	\$18,500,900

FY88 PUPIL TRANSPORTATION
 ESTIMATED ALLOCATIONS TO DISTRICTS
 BASED ON GOVERNOR'S BUDGET REQUEST
 AND FY87 ESTIMATED PERCENTAGE DISTRIBUTION
 PREPARED: 3/23/87

FY88
 GOVERNOR'S
 BUDGET REQUEST
 \$18,500,900

ATTACHMENT 3

PK
 3/23/87

SCHOOL DISTRICT	FY87 ESTIMATED REIMBURSEMENT	FY87 PERCENTAGE DISTRIBUTION OF \$24,311,723.70	FY88 ESTIMATED ALLOCATION
ADAK	\$117,324.81	0.48259%	\$89,283
ALASKA GATEWAY	\$337,266.52	1.38726%	\$256,655
ANCHORAGE	\$8,151,790.09	33.53028%	\$6,203,404
ANNETTE ISLAND	\$15,447.78	0.06354%	\$11,756
BERING STRAITS	\$37,440.00	0.15400%	\$28,491
BRISTOL BAY	\$127,478.37	0.52635%	\$97,009
CHATHAM	\$4,722.00	0.01942%	\$3,593
COPPER RIVER	\$465,395.40	1.91428%	\$354,160
CORDOVA	\$56,206.80	0.23119%	\$42,773
DELTA/GREELEY	\$481,215.21	1.97935%	\$366,198
DILLINGHAM	\$145,566.00	0.59875%	\$110,774
FAIRBANKS	\$3,622,474.87	14.90012%	\$2,756,655
GALENA	\$30,439.80	0.12521%	\$23,164
HAINES	\$181,231.20	0.74545%	\$137,915
HOONAH	\$13,792.09	0.05673%	\$10,496
IDITAROD	\$33,500.00	0.13779%	\$25,493
JUPREAU	\$960,057.60	3.94895%	\$730,591
KAKE	\$31,705.20	0.13041%	\$24,127
KENAI	\$3,142,987.10	12.92787%	\$2,391,772
KETCHIKAN	\$414,127.00	1.70340%	\$315,145
KING COVE	\$36,154.42	0.14871%	\$27,513
KODIAK	\$402,328.26	1.65487%	\$306,166
KUSPUK	\$71,458.00	0.29392%	\$54,379
LAKE & PENN	\$43,051.00	0.17708%	\$32,761
LOWER KUSKOKWIM	\$200,445.42	0.82448%	\$152,536
LOWER YUKON	\$17,399.50	0.07157%	\$13,241
MAT-SU	\$3,279,378.00	13.48887%	\$2,495,563
MENANA	\$65,254.80	0.26841%	\$49,658
NOME	\$192,650.40	0.79242%	\$146,604
NORTH SLOPE	\$169,311.80	0.69642%	\$128,844
PELICAN	\$3,524.00	0.01450%	\$2,682
PETERSBURG	\$116,637.69	0.47976%	\$88,760
RAILBELT	\$193,032.40	0.79399%	\$146,895
SAND POINT	\$28,296.08	0.11639%	\$21,533
SITKA	\$344,317.75	1.41626%	\$262,021
SKAGWAY	\$1,723.00	0.00709%	\$1,311
S.E. ISLANDS	\$106,612.80	0.43852%	\$81,131
SOUTHWEST REGION	\$77,399.00	0.31836%	\$58,900
UNALASKA	\$110,668.80	0.45521%	\$84,217
VALDEZ	\$281,640.63	1.15846%	\$214,325
WRANGELL	\$61,435.80	0.25270%	\$46,752
YAKUTAT	\$47,870.80	0.19690%	\$36,429
YUKON FLATS	\$49,358.60	0.20302%	\$37,561
YUKON/KOYUKUK	\$41,607.00	0.17114%	\$31,662
TOTALS	\$24,311,723.70	100%	\$18,500,900

1 FY88 PUPIL TRANSPORTATION
 2 ESTIMATED ALLOCATIONS TO DISTRICTS
 3 BASED ON FY88 GOVERNOR'S BUDGET REQUEST
 4 FY82 THRU FY86 PERCENTAGE DISTR. & FY87 DISTR.
 5 PREPARED: 3/23/87

FY88 GOVERNOR'S
 BUDGET
 REQUEST
 \$18,500,900

ATTACHMENT C

RK
 3/23/87

7	FY82 THRU FY86	PERCENTAGE	HIGHER	
8 SCHOOL	PERCENTAGE	DISTRIBUTION	PERCENTAGE OF	FY88 ESTIMATED
9 DISTRICT	DISTRIBUTION	OF FY87	COLUMN 2 OR 3	ALLOCATION
11				
12 ADAK	0.45764%	0.48259%	0.48259%	\$85,296
13 ALASKA GATEWAY	1.33771%	1.38726%	1.38726%	\$245,195
14 ANCHORAGE	35.55603%	33.53028%	35.55603%	\$6,284,451
15 ANNETTE ISLAND	0.06095%	0.06354%	0.06354%	\$11,231
16 BERING STRAITS	0.07762%	0.15400%	0.15400%	\$27,219
17 BRISTOL BAY	0.48604%	0.52435%	0.52435%	\$92,678
18 CHATHAM	0.01269%	0.01942%	0.01942%	\$3,433
19 CHUGACH	0.00134%	0.00000%	0.00134%	\$237
20 COPPER RIVER	1.96034%	1.91428%	1.96034%	\$346,486
21 CORDOVA	0.18615%	0.23119%	0.23119%	\$40,863
22 CRAIG	0.03399%	0.00000%	0.03399%	\$6,008
23 DELTA/G/ ELEY	1.87973%	1.97935%	1.97935%	\$349,846
24 DILLINGHAM	0.43253%	0.59875%	0.59875%	\$105,827
25 FAIRBANKS	16.54720%	14.90012%	16.54720%	\$2,924,681
26 GALENA	0.12032%	0.12521%	0.12521%	\$22,130
27 HAINES	0.75447%	0.76545%	0.75447%	\$133,351
28 HOONAH	0.02051%	0.05673%	0.05673%	\$10,027
29 IDITAROD	0.06813%	0.13779%	0.13779%	\$24,355
30 JUNEAU	3.88389%	3.94895%	3.94895%	\$697,968
31 KAKE	0.11416%	0.13041%	0.13041%	\$23,050
32 KENAI	12.38385%	12.92787%	12.92787%	\$2,284,972
33 KETCHIKAN	1.98367%	1.70340%	1.98367%	\$350,609
34 KING COVE	0.14040%	0.14871%	0.14871%	\$26,285
35 KODIAK	1.47536%	1.65487%	1.65487%	\$292,495
36 KUSPUK	0.20544%	0.29392%	0.29392%	\$51,950
37 LAKE & PENN	0.16052%	0.17708%	0.17708%	\$31,298
38 LOWER KUSKOKWIM	0.73775%	0.82448%	0.82448%	\$145,725
39 LOWER YUKON	0.01324%	0.07157%	0.07157%	\$12,650
40 MAT-SU	11.47316%	13.48887%	13.48887%	\$2,384,129
41 NENANA	0.43498%	0.26841%	0.43498%	\$76,882
42 NOME	0.65682%	0.79242%	0.79242%	\$140,058
43 NORTH SLOPE	0.56463%	0.69642%	0.69642%	\$123,091
44 PELICAN	0.01368%	0.01450%	0.01450%	\$2,562
45 PETERSBURG	0.35780%	0.47976%	0.47976%	\$84,796
46 RAILBELT	0.99881%	0.79399%	0.99881%	\$176,537
47 S.E. ISLANDS	0.27732%	0.63852%	0.63852%	\$77,507
48 SAND POINT	0.05146%	0.11639%	0.11639%	\$20,572
49 SITKA	1.27017%	1.41626%	1.41626%	\$250,321
50 SKAGWAY	0.01174%	0.00709%	0.01174%	\$2,074
51 SOUTHWEST REGION	0.18861%	0.31836%	0.31836%	\$56,270
52 UNALASKA	0.48844%	0.45521%	0.48844%	\$86,331
53 VALDEZ	1.36835%	1.15846%	1.36835%	\$241,854
54 WRANGELL	0.26402%	0.25270%	0.26402%	\$46,665
55 YAKUTAT	0.18560%	0.19690%	0.19690%	\$34,802
56 YUKON FLATS	0.20277%	0.20302%	0.20302%	\$35,884
57 YUKON/KOYUKUK	0.09586%	0.17114%	0.17114%	\$30,249
58				
59				
60 TOTALS	100.00000%	100.00000%	104.67399%	\$18,500,900
61		FY88 GOVERNOR'S BUDGET REQUEST		\$18,500,900
62				
63		DIFFERENCE)))		10

PK
3/23/87

1 FY88 PUPIL TRANSPORTATION
 2 ESTIMATED ALLOCATIONS TO DISTRICTS
 3 BASED ON FY88 GOVERNOR'S BUDGET REQUEST
 4 FY82 THRU FY86 PERCENTAGE DISTR. & FY87 DISTR.
 5 PREPARED: 3/23/87
 6 =====

FY88 GOVERNOR'S
 BUDGET
 REQUEST
 \$18,500,900

7
 8 SCHOOL
 9 DISTRICT
 10 =====

	FY82 THRU FY86 PERCENTAGE DISTRIBUTION	PERCENTAGE DISTRIBUTION OF FY87	AVERAGE PERCENTAGE OF COLUMN 2 OR 3	FY88 ESTIMATED ALLOCATION
--	--	---------------------------------	-------------------------------------	---------------------------

11					
12	ADAK	0.45764%	0.48259%	0.47011%	\$86,975
13	ALASKA GATEWAY	1.33771%	1.38726%	1.36249%	\$252,072
14	ANCHORAGE	35.55603%	33.53028%	34.54316%	\$6,390,795
15	ANNETTE ISLAND	0.06095%	0.06354%	0.06224%	\$11,515
16	BERING STRAITS	0.07762%	0.15400%	0.11581%	\$21,426
17	BRISTOL BAY	0.48604%	0.52435%	0.50520%	\$93,466
18	CHATHAM	0.01249%	0.01942%	0.01595%	\$2,952
19	CHUGACH	0.00134%	0.00000%	0.00067%	\$124
20	COPPER RIVER	1.96034%	1.91428%	1.93731%	\$358,420
21	CORDOVA	0.18615%	0.23119%	0.20867%	\$38,606
22	CRAIG	0.03399%	0.00000%	0.01700%	\$3,144
23	DELTA/GREELEY	1.87973%	1.97935%	1.92954%	\$356,983
24	DILLINGHAM	0.43253%	0.59875%	0.51564%	\$95,398
25	FAIRBANKS	16.54720%	14.90012%	15.72366%	\$2,909,018
26	GALENA	0.12032%	0.12521%	0.12276%	\$22,713
27	HAINES	0.75447%	0.74545%	0.74996%	\$138,749
28	HOONAH	0.02051%	0.05673%	0.03862%	\$7,145
29	IDITAROD	0.06813%	0.13779%	0.10296%	\$19,049
30	JUNEAU	3.88389%	3.94895%	3.91642%	\$724,573
31	KAKE	0.11416%	0.13041%	0.12229%	\$22,624
32	KENAI	12.38385%	12.92787%	12.65586%	\$2,341,448
33	KETCHIKAN	1.98367%	1.70340%	1.84354%	\$341,071
34	KING COVE	0.14040%	0.14871%	0.14456%	\$26,744
35	KODIAK	1.47536%	1.65487%	1.56512%	\$289,561
36	KUSPUK	0.20544%	0.29392%	0.24968%	\$46,193
37	LAKE & PENN	0.16052%	0.17708%	0.16880%	\$31,230
38	LOWER KUSKOKWIM	0.73775%	0.82448%	0.78111%	\$144,513
39	LOWER YUKON	0.01324%	0.07157%	0.04240%	\$7,845
40	MAT-SU	11.47316%	13.48887%	12.48102%	\$2,309,101
41	MENANA	0.43498%	0.26841%	0.35169%	\$65,067
42	NOME	0.65682%	0.79242%	0.72462%	\$134,061
43	NORTH SLOPE	0.56463%	0.69642%	0.63052%	\$116,652
44	PELICAN	0.01368%	0.01450%	0.01409%	\$2,607
45	PETERSBURG	0.35780%	0.47976%	0.41878%	\$77,478
46	RAILBELT	0.99881%	0.79399%	0.89640%	\$165,842
47	S.E. ISLANDS	0.27732%	0.43852%	0.35792%	\$66,218
48	SAND POINT	0.05146%	0.11639%	0.08393%	\$15,527
49	SITKA	1.27447%	1.41626%	1.34537%	\$248,905
50	SKAGWAY	0.01174%	0.00709%	0.00942%	\$1,742
51	SOUTHWEST REGION	0.18861%	0.31836%	0.25349%	\$46,897
52	UNALASKA	0.48874%	0.45521%	0.47182%	\$87,292
53	VALDEZ	1.36835%	1.15846%	1.26341%	\$233,741
54	WRANGELL	0.26402%	0.25270%	0.25836%	\$47,799
55	YAKUTAT	0.18560%	0.19690%	0.19125%	\$35,383
56	YUKON FLATS	0.20277%	0.20302%	0.20290%	\$37,537
57	YUKON/KOYUKUK	0.09586%	0.17114%	0.13350%	\$24,699

58 -----
 59
 60 TOTALS 100.00000% 100.00000% 100.00000% \$18,500,900
 61 FY88 GOVERNOR'S BUDGET REQUEST \$18,500,900
 62 =====
 63 DIFFERENCE))) 00

ATTACHMENT E

PK 3/23/8

1	2	3	4	5	6	7	8	9	10
1	FY88 PUPIL TRANSFORMATION								
2	ESTIMATED ALLOCATIONS TO DISTRICTS								
3	BASED ON FY88 GOVERNOR'S		FY88 GOVERNOR'S		FY88 GOVERNOR'S		FY88 GOVERNOR'S		FY88 GOVERNOR'S
4	BUDGET REQUEST		BUDGET REQUEST		BUDGET REQUEST		BUDGET REQUEST		BUDGET REQUEST
5	PREPARED: 3/23/87		\$18,500,900		\$18,500,900		\$18,500,900		\$13,500,900
6	=====								
7	FY82 THRU FY86			PERCENTAGE		HIGHER		AVERAGE	
8	SCHOOL	PERCENTAGE	FY88 ESTIMATE	DISTRIBUTION	FY88 ESTIMATED	PERCENTAGE OF	FY88 ESTIMATE	PERCENTAGE OF	FY88 ESTIMATE
9	DISTRICT	DISTRIBUTION	ALLOCATION	OF FY87	ALLOCATION	COLUMN 2 OR 5	ALLOCATION	COLUMN 2 & 5	ALLOCATION
10	=====								
11									
12	ADAK	0.45764%	\$84,668	0.48259%	\$89,283	0.48259%	\$85,296	0.47011%	\$86,97
13	ALASKA GATEWAY	1.33771%	\$247,489	1.38726%	\$256,655	1.38726%	\$245,195	1.36249%	\$252,07
14	ANCHORAGE	35.55603%	\$6,578,186	33.53028%	\$6,203,404	35.55603%	\$6,284,451	34.54316%	\$6,390,79
15	ANNETTE ISLAND	0.06095%	\$11,275	0.06354%	\$11,756	0.06354%	\$11,231	0.06224%	\$11,51
16	BERING STRAITS	0.07762%	\$14,360	0.15400%	\$28,491	0.15400%	\$27,219	0.11581%	\$21,42
17	BRISTOL BAY	0.48604%	\$89,922	0.52435%	\$97,009	0.52435%	\$92,678	0.50520%	\$93,46
18	CHATHAM	0.01249%	\$2,310	0.01942%	\$3,593	0.01942%	\$3,433	0.01595%	\$2,95
19	CHUGACH	0.00134%	\$249	0.00000%	\$0	0.00134%	\$237	0.00067%	\$12
20	COPPER RIVER	1.96034%	\$362,680	1.91428%	\$354,160	1.96034%	\$346,486	1.93731%	\$358,42
21	CORDOVA	0.18615%	\$34,439	0.23119%	\$42,773	0.23119%	\$40,863	0.20867%	\$38,60
22	CRAIG	0.03399%	\$6,209	0.00000%	\$0	0.03399%	\$6,008	0.01700%	\$3,14
23	DELTA/GREELEY	1.87973%	\$347,768	1.97935%	\$366,198	1.97935%	\$349,846	1.92954%	\$356,98
24	DILLINGHAM	0.43253%	\$80,022	0.59875%	\$110,774	0.59875%	\$105,827	0.51564%	\$95,39
25	FAIRBANKS	16.54720%	\$3,061,381	14.90012%	\$2,756,655	16.54720%	\$2,924,681	15.72366%	\$2,909,01
26	GALENA	0.12032%	\$22,261	0.12521%	\$23,164	0.12521%	\$22,130	0.12276%	\$22,71
27	HAINES	0.75447%	\$139,583	0.74545%	\$137,915	0.75447%	\$133,351	0.74996%	\$138,74
28	HOONAH	0.02051%	\$3,794	0.05673%	\$10,496	0.05673%	\$10,027	0.03862%	\$7,14
29	IDITAROD	0.06813%	\$12,604	0.13779%	\$25,493	0.13779%	\$24,355	0.10296%	\$19,04
30	JUNEAU	3.88389%	\$718,554	3.94895%	\$730,591	3.94895%	\$697,968	3.91642%	\$724,57
31	KAKE	0.11416%	\$21,121	0.13041%	\$24,127	0.13041%	\$23,050	0.12229%	\$22,62
32	KENAI	12.38385%	\$2,291,124	12.92787%	\$2,391,772	12.92787%	\$2,284,972	12.65586%	\$2,341,44
33	KETCHIKAN	1.98367%	\$366,997	1.70340%	\$315,145	1.98367%	\$350,609	1.84354%	\$341,07
34	KING COVE	0.14040%	\$25,975	0.14871%	\$27,513	0.14871%	\$26,285	0.14456%	\$26,74
35	KODIAK	1.47536%	\$272,955	1.65487%	\$306,166	1.65487%	\$292,495	1.56512%	\$289,56
36	KUSLUK	0.20544%	\$38,008	0.29392%	\$54,379	0.29392%	\$51,950	0.24968%	\$46,19
37	LAKE & PENN	0.16052%	\$29,698	0.17708%	\$32,761	0.17708%	\$31,298	0.16880%	\$31,23
38	LOWER KUSKOKWIM	0.73775%	\$136,490	0.82448%	\$152,536	0.82448%	\$145,725	0.78111%	\$144,51
39	LOWER YUKON	0.01324%	\$2,450	0.07157%	\$13,241	0.07157%	\$12,650	0.04240%	\$7,84
40	MAT-SU	11.47316%	\$2,122,638	13.48887%	\$2,495,563	13.48887%	\$2,384,129	12.48102%	\$2,309,10
41	MENANA	0.43498%	\$80,475	0.26841%	\$49,658	0.43498%	\$76,882	0.35169%	\$65,06
42	NOME	0.65682%	\$121,518	0.79242%	\$146,604	0.79242%	\$140,058	0.72462%	\$134,06
43	NORTH SLOPE	0.56463%	\$104,461	0.69642%	\$128,844	0.69642%	\$123,091	0.63052%	\$116,65
44	PELICAN	0.01368%	\$2,533	0.01450%	\$2,682	0.01450%	\$2,562	0.01409%	\$2,60
45	PETERSBURG	0.35780%	\$66,197	0.47976%	\$88,760	0.47976%	\$84,796	0.41879%	\$77,47
46	RAILBELT	0.99881%	\$184,788	0.79399%	\$146,895	0.99881%	\$176,537	0.89640%	\$165,34
47	S.E. ISLANDS	0.27732%	\$51,306	0.43852%	\$81,130	0.43852%	\$77,537	0.35792%	\$66,21
48	SAND POINT	0.05146%	\$9,521	0.11639%	\$21,533	0.11639%	\$20,572	0.08393%	\$15,52
49	SITKA	1.27447%	\$235,789	1.41626%	\$262,021	1.41626%	\$250,321	1.34537%	\$243,90
50	SKAGWAY	0.01174%	\$2,171	0.00709%	\$1,312	0.01174%	\$2,074	0.00942%	\$1,74
51	SOUTHWEST REGION	0.18861%	\$34,895	0.31836%	\$58,900	0.31836%	\$56,270	0.25249%	\$45,39
52	UNALASKA	0.48844%	\$90,366	0.45521%	\$84,217	0.48844%	\$86,331	0.47122%	\$87,29
53	VALDEZ	1.36835%	\$253,158	1.15846%	\$214,325	1.36835%	\$241,354	1.26341%	\$221,74
54	WRANGELL	0.26402%	\$48,847	0.25270%	\$46,752	0.26402%	\$46,665	0.25252%	\$47,99
55	YAKUTAT	0.18560%	\$34,338	0.19690%	\$36,429	0.19690%	\$34,302	0.19125%	\$35,23
56	YUKON FLATS	0.20277%	\$37,514	0.20302%	\$37,561	0.20302%	\$35,884	0.20290%	\$37,52
57	YUKON/KOYUKUK	0.09586%	\$17,735	0.17114%	\$31,662	0.17114%	\$30,249	0.17252%	\$30,59
58	=====								
59									
60	TOTALS	100.00000%	\$18,500,900	100.00000%	\$18,500,900	104.67399%	\$18,500,900	100.00000%	\$18,500,900
61	=====								
62									
63	DIFF. IN GOVERNOR'S BUDGET REQUEST)		\$0		(\$1)		\$0		\$0

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 23, 1987

The Honorable Jan Faiks
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

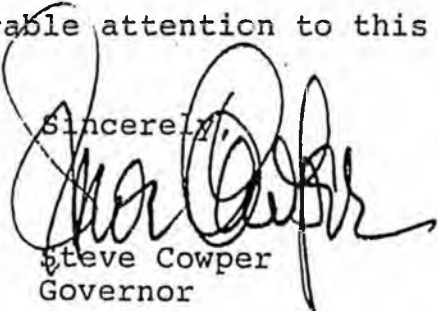
Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to school district transportation of pupils. The measure repeals existing AS 14.09.010, under which districts required by the department to provide pupil transportation are reimbursed on a "unit cost basis" determined by the department, and would replace it with a provision that makes pupil transportation services optional with the local districts, and directs the department to adopt regulations providing for the determination of eligibility for state pupil transportation aid and the amount of that aid. AS 14.09.020, which requires the department to provide transportation for nonpublic school students in certain situations, is repealed in sec. 2 of the bill. >

The reason for the changes to AS 14.09.010 is that reimbursement on a "unit cost basis" essentially rewards districts that have high costs for their failure to contain costs, while districts that run more efficient transportation systems are penalized. Under the proposed new language of AS 14.09.010(b), the Department of Education will develop a system of distributing pupil transportation money which does not contain such disincentives to efficiency.

I urge your prompt and favorable attention to this bill.

Sincerely,



Steve Cowper
Governor

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: SB208

Bill Version: 773-87-0128
Publish Date: _____

Revision Date: _____
Title: ...transportation of pupils...

Agency Affected: Education
BRU: K-12 Support

Sponsor: Governor
Requestor: Governor

Components: Pupil Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS :

This legislation will not require an increased appropriation.

Prepared by: Steve Hole
Division: Commissioner's Office

Phone: 465-2800
Date: March 18, 1987

Approved by Commissioner: Marshall L. Lind
Agency: Education

Date: March 18, 1987

Distribution (by preparer):

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

SB

212

Introduced: 3/26/87
Referred: Health, Education & Social Services
& Finance

5-0911A

1 IN THE SENATE

BY ZHAROFF, HENSLEY, DUNCAN
AND FAIKS

2 SENATE BILL NO. 212

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 C.S. A BILL

6 For an Act entitled: "An Act extending the termination date of the Special
7 Education Service Agency; and providing for an effec-
8 tive date."

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

10 * Section 1. AS 44.66.010(a)(14) is amended to read:

11 (14) Special Education Service Agency (AS 14.30.600) --

12 June 30, 1990 [1987]. (1989)

13 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
S
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

Bud + Audit

→ Sch. Dist's
pay into



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090

FAIRBANKS REGIONAL OFFICE

2115 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435

Jean Krause, President

Judy Salo
Vice-President
4510 Kenaitze Court
Kenai, Alaska 99611

Susan Siltham
NEA Director
P.O. Box 80913, College Station
Fairbanks, Alaska 99708

Alan Dill
Region I Director
P.O. Box 423
Sitka, Alaska 99835

Phil Myerchin
Region I Director
717 Canyon Road
Ketchikan, Alaska 99901

Teresa Benolkin
Region II Director
P.O. Box 874335
Wasilla, Alaska 99687

Beverly Goad
Region II Director
Box 343
Copper Center, Alaska 99573

Don Oberg
Region III Director
Box 1084
Kenai, Alaska 99611

Phil Brady
Region IV Director
Scammon Bay Schools
Scammon Bay, Alaska 99662

Myra Poage
Region IV Director
Box 973
Nome, Alaska 99762

Joann Walker
Region IV Director
Box 570
Kolzebue, Alaska 99752

Mary Lou Brent
Region Director
Box 80074
Fairbanks, Alaska 99708

Carol Merritt
Region V Director
P.O. Box 60475
Fairbanks, Alaska 99706

Loretta Christie
Region VI Director
2220 Yorkshire Lane
Anchorage, Alaska 99504

Pam McCarl
Region VI Director
2115 Sorbus Way
Anchorage, Alaska 99506

Pam Reynolds
Region VI Director
8031 Evans Circle
Anchorage, Alaska 99507

Dave Schwantes
Region VI Director
8148 E. 4th Avenue
Anchorage, Alaska 99504

Peg Stout
Region VI Director
6208 E. 14th Avenue
Anchorage, Alaska 99504

May 5, 1987

To: Sen. Paul Fischer, Chair
Members, Senate HESS Committee

Re: Senate Bill No. 212: "An Act extending the termination date of the Special Education Service Agency; and providing for an effective date."

NEA-Alaska supports and encourages passage of SB 212. The Special Education Service Agency is a unique and beneficial approach to providing school districts access to special education services which they otherwise might not be able to provide because of prohibitive costs.

Students whose special education needs occur infrequently, who require specialized services not normally available in the school district, and who cannot be easily served by the local school district personnel because of the low number of students in the district in need of the particular service are the benefactors of this legislation.

This program was instituted just one year ago and requires additional time before final conclusions are drawn relative to the continued needs by school districts for the services.

We hope that you will deal with this legislation in an expeditious fashion and act favorably on it.

Respectfully Submitted,

Robert Manners
Executive Secretary

BM66/dl

SPECIAL EDUCATION SERVICE AGENCY

FACT SHEET

WHAT: The Special Education Service Agency (SESA) was set up by the Fourteenth Legislature to "...assist school districts to make more special education and related services available to exceptional children." This agency began operation September 1, 1986 and provides the following services to Alaska's school districts.

1. Itinerant outreach services to low incidence handicapped students (deaf, deaf-blind, mentally retarded, hearing impaired, blind and visually impaired, orthopedically handicapped, other health impaired, seriously emotionally disturbed, and multihandicapped students).
2. Special education instructional support and training of local school district special education personnel.
3. Other service appropriate to special education needs.

WHO: Seventeen certified staff, including specialists in deafness blindness, orthopedic handicaps, emotional disturbance, health impairments, mental retardation, and multihandicapping conditions currently provide the services.

The agency's Board of Directors is composed of five to seven persons currently serving on the Governor's Council for the Handicapped and Gifted, plus representatives appointed by the following professional organizations: Alaska Association of Administration of Special Education, NEA/Alaska, and the Alaska Association of School Administrators.

HOW: School districts identify and evaluate exceptional students. Local special education personnel ascertain that special assistance is required which is not locally available. SESA is contacted. SESA staff come to the district, participate in IEP meetings, bring materials, train and inservice teachers, aides, students and, sometimes, family members, to provide special education services appropriate to the needs of individual children. A Technical Assistance Agreement is developed and signed with each district served.

Funding to support this agency is built on a formula which generates \$85 per special education student counted in the state, or an amount equivalent to 2% of the funds appropriated for special education for that fiscal year, whichever is greater. Monies to support this effort were budgeted in the schools for the handicapped's line item within the Department of Education's 1986-87 budget.

WHEN: SESA staff provide services throughout the school year. Contacts with districts can be as frequent as weekly or only a few times per school year, depending on student and district personnel needs.

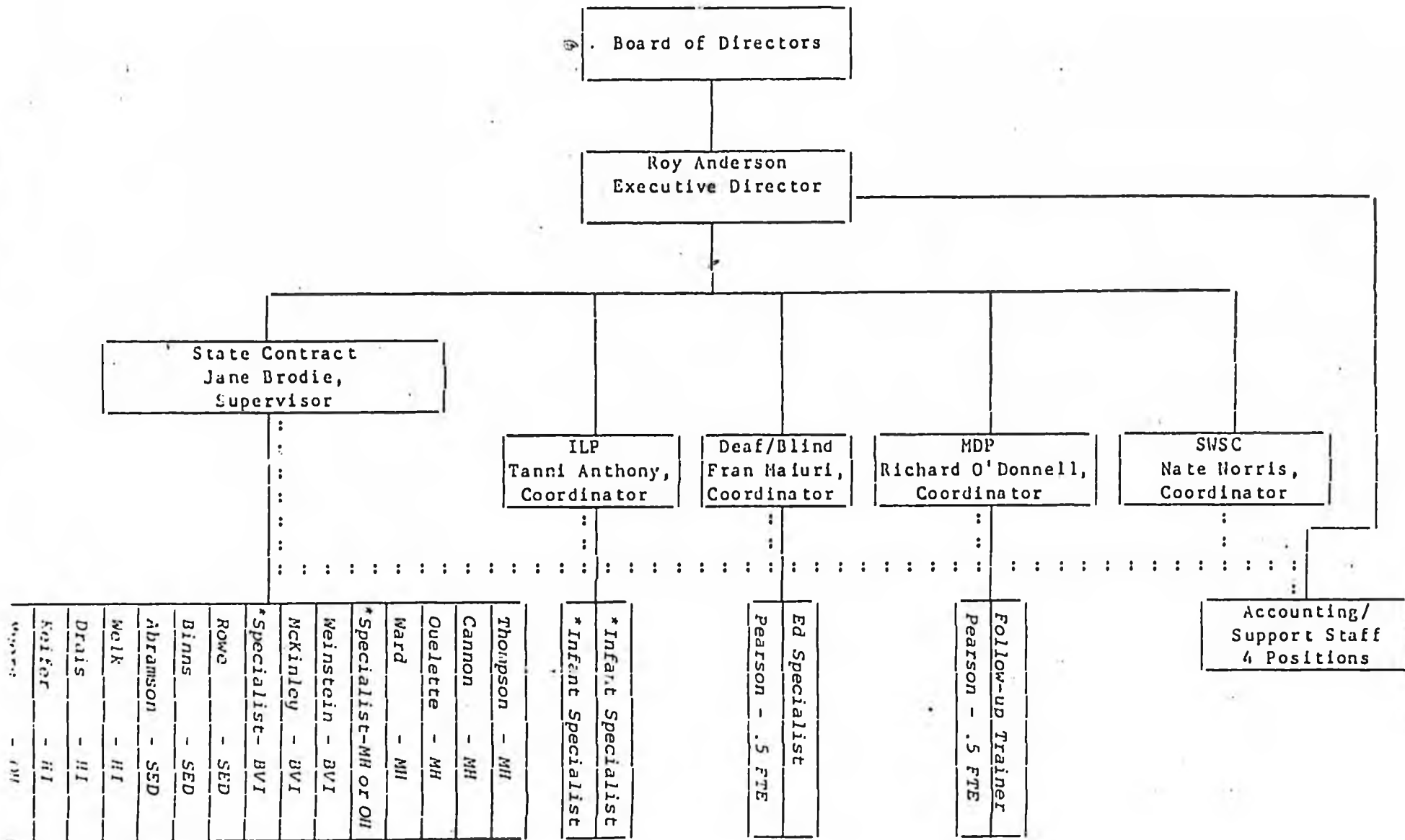
WHERE: SESA offices are in Anchorage. This year SESA is serving about 250 students in 43 school districts.

WHY: The purpose of this agency is to:

1. assist districts and rural educational attendance areas to make more special education and related services available to exceptional children, as that term is defined in As 14.30.350(4);
2. encourage cooperation between districts and education agencies in making special educational programs and services available to these children;
3. ensure that qualified specialists are available to assist districts in the provision of free appropriate public education services for those exceptional children that are difficult to serve, without regard to their location in the state.

SPECIAL EDUCATION SERVICE AGENCY

Organizational Chart
1986-1987



Vacant Positions



GOVERNOR'S COUNCIL FOR THE HANDICAPPED AND GIFTED

600 University Avenue, Suite C • Fairbanks, Alaska 99701 • Phone (907) 479-6507

POSITION PAPER ON CSSB 319, HB 543

An act creating a special education outreach services agency

February 17, 1986

The Alaska Governor's Council for the Handicapped and Gifted supports CSSB 319 and HB 543.

The main objective of the legislation is to insure long-term continuity and availability of special education outreach services to low-incidence, hard-to-serve handicapped children in all Alaskan school districts.

X The proposed legislation achieves this important goal by creating a public agency to manage the services in cooperation with the Department of Education, and by providing a basic level of funding for the outreach services in relation to the total number of special education students enrolled in school and the total amount of funding for special education in Alaska.

Every child in the United States has the right to a free public education. Sometimes handicapped children have been denied that right because of the severity of the handicap, lack of funding, lack of availability of trained teachers, remoteness or rural location, and discriminatory attitudes. This legislation will help Alaska to keep the promise of a free, appropriate education for every handicapped child no matter where he or she lives and no matter what kind of handicapping condition he or she experiences.

By adopting this measure, at least 300 low-incidence handicapped children per year will receive the services they need for their future personal and academic success. Deaf, blind, orthopedically handicapped, seriously health impaired, deaf-blind, multiply-handicapped, severely mentally retarded, and emotionally disturbed school-age children will be served in all school districts.

Services will be available to assist local administrators, teachers, students and parents in each school district. In many cases, these services will eliminate the need for costly out-of-district or out-of-state placements away from home and family.

Without stable funding and continuity of services, students will not receive the services they require, a number of due process hearings and legal actions are likely to be filed, thirty or forty students will have to leave home and be placed in special schools in Anchorage or outside the state at a cost of \$25,000 to \$95,000 per year per student. And, long-term, we will see people with disabilities becoming adults with life-long dependency on all forms of public programs because they did not have the benefit of specialized education and training to prepare them for social or economic independence.

The Council appreciates legislators' interest in special education for exceptional children, and urges passage of CSSB 319 and HB 543.

GROUPS SUPPORTING CSSB 319 and HB 543

Alaska Association of Administrators for Special Education

Alaska Resources for the Moderately and Severely Impaired, Advisory Board

NEA Alaska

Alaska Council for Exceptional Children

Protection and Advocacy for the Developmentally Disabled

QUESTIONS AND ANSWERS

Why do we need this legislation?

State and federal laws require every handicapped child to receive a free, appropriate public education in the least restrictive environment. Because of the small number of special education students with certain kinds of handicapping conditions, each school district or REAA cannot afford to hire a specialist or a variety of specialists to meet the unique needs of each child. An outreach agency which employs specialists to travel to several districts is a cost-effective, efficient way to reach all students in their home villages or schools.

Aren't these specialists available in the private sector?

No. There are no blind/vision impaired specialists in the private sector in Alaska. Nor are there deaf education specialists, or specialists to work with non-ambulatory, non-verbal, severely mentally retarded children or children with a combination of severe handicaps. There are private psychologists and this legislation would not in any way compete or supplant those existing services.

Why not just give the money to school districts to buy their own services?

If you divided the funds between the 55 school districts, each district would receive about \$27,000 additional dollars. Some districts would not need all the services this year while another district might have several new severely handicapped students enroll in school and not have enough funding to purchase the services. Since the required specialists are not available in the private sector, school districts won't be able to find a provider from whom to purchase the services.

If each district has to negotiate separate contracts for the variety of services needed for each child, more of the local administrators' time will be devoted to this activity and for scheduling and handling logistics.

As proposed there would be one agency responsible for being "on call" to all school districts. By coordinating and centralizing the services, a greater degree of comprehensiveness, stability and efficiency can be achieved.

If private sector people were available, wouldn't the services be cheaper?

No. Costs of the outreach services would be averaged across all those students and districts being served. An outreach agency teacher would be on regular salary rather than on an hourly fee for service, and travelling on a per diem rate rather than a flat fee per day working out of the office. Current daily rates for private consultants in psychological services or physical therapy (services not provided by the outreach agency) range from \$275 to \$450 per day not including travel or per diem or overhead costs.

Aren't the districts already supposed to be serving these children?

Yes, they are. And the districts are serving them. The difficulty is that a single small district cannot afford to hire a specialist just for one or two hard-to-serve students. What the cooperative service agency will do is to provide the specialized services while the local district provides the basic service through its special education program. The district or REAA employs the child's regular classroom teacher and/or aide and provides the direct service on a day-to-day basis.

So what exactly would the special education outreach service agency do?

The outreach service agency sends a specialist in the area of the child's disability to develop specialized materials, train the local teacher or aide, show how services can be provided, set up intervention strategies and monitoring systems, develop home/school programs, assess students, provide audio/visual materials, adapt existing curricula or materials, or provide in-service training to local teachers. In between on-site visits, the outreach specialist does follow-up by phone, sends materials, researches additional resources, coordinates ancillary services, and may be contacted by the district or REAA at any time.

For example, in the case of a blind student, a specialist for the blind/visually impaired may help a local school teach braille, provide braille coursework by transcribing textbook materials, provide curriculum materials, train local teachers to work with the student in learning to use a cane to travel in the school, and supply necessary braille equipment, listening tapes, and other special materials.

Over several on-site visits, the outreach specialist may assess the student and staff needs through observation, testing, and consultation, then help develop a written instructional program for the student along with behavioral objectives, and then train the local teacher to provide the day-to-day services with back-up materials supplied on a regular basis from the outreach service agency.

How many students are we talking about in Alaska?

At any given time, there may be two to five per cent of the special education population in need of some specialized outreach services. Over the past four years when the services were begun in Alaska and provided through a contract, a total of 436 students were served:

FY 83	FY 84	FY 85	FY 86 est
219	219	255	275

It is estimated that over 300 would be served in F87 by the new service agency.

How many districts need the services in a year?

Right now there are 44 districts utilizing the contract services. Last year 46 districts requested services.

Are there any students not being served who need services now?

As of February 6, 1986 twenty-four (24) handicapped students in eleven school districts are on a waiting list for services.

How does Alaska compare with other states in the provision of these kinds of services?

On a percentage basis, Alaska is about average in the number of handicapped students served through special education programs, about 11%. Some states serve as few as 7 or 8%, some as high as 14%.

Because of the small population and the dispersal of students in small rural schools, Alaska faces a number of problems in serving each handicapped child. Problems relating to special education services, ranked in the top ten by Alaska school districts, include staff development, involving parents, ability to provide support services, services to low-incidence students, funding, distances between schools and services, and retention of teachers and aides (Anderson, 1985).

Across the country 37 states developed cooperative service units, intermediate service agencies, regional units, county school offices, and other educational service agencies in the 1970s as a means of providing services in the most efficient manner.

The recent national focus on the quality of education is causing a resurgence of such effort, both for "general" education cooperatives (in program areas of financing, staffing, recruitment, staff development, instructional materials) and for special education cooperatives to provide services covered by CSSB 319 and HB 543. As state boards of education have moved to increase course requirements for math, computers, science, foreign languages, language arts, and social studies small, isolated rural school districts are being given an even tougher challenge to provide quality education services.

"While general education offers unique challenges for rural educators, providing services to special needs children seems to magnify these challenges" (Hensley, 1966). Benefits of cooperative programs are cited as "cost efficiency, retaining local autonomy, compliance, access to specialists, and better teacher retention" (Widvey et al, 1985).

If the delivery of services has been successful in Alaska since 1981, why not leave it as a contract for services which goes out to bid?

A number of services are not provided which are needed because funds have been cut mid-year during the last two years. Recruitment and retention of specialists has been a continuing problem as the contracting agency does not know from year to year what the funding level will be or whether a different contractor will receive the contract, or whether the Department of Education will further limit or change the kinds of services provided.

Also, as a contract program, the department must go out to bid for the services. The department could decide to go to bid annually, every two years, every three years or not at all. Because of shortages of funds to pay for out-of-state transfers, the department has discussed cutting outreach services by as much as \$650,000 in F87 even though this would mean more students would ultimately be sent away from home to special schools.

As a service which is part of the state's system of public education, the outreach services should be a part of that system, not an optional service if the funds happen to be available from year to year.

How will recruitment and retention be improved if the legislation passes?

Over the past four years six specialists have left the outreach services contractor and gone to work for school districts (one multi-handicapped and one blind specialist to Kenai, two blind specialists to Anchorage, one orthopedically handicapped and one blind/visually impaired specialist to Mat-Su). While helping districts recruit specialists should be one of the stated objectives of the agency, it should not occur as a result of a non-competitive hiring situation. Contractor salaries are lower than school district salaries in Anchorage, employees have not had access to benefits such as retirement, they have worked more days per year, and they may have been required to travel half time.

There is a nation-wide shortage of specialized teachers. The contractor has had one vacancy for a blind/visually impaired orientation and mobility specialist for two years. To serve orthopedically handicapped students, there has been one position unfilled for a year. For deaf/hearing impaired specialists the recruitment period is six months. The contractor has never been able to recruit a language specialist for the multi-handicapped.

By having a public agency with access to the teachers' retirement system or the public employees' retirement system, the agency will be better able to compete with districts in recruitment of personnel. By having a permanent agency established, a greater degree of job security will be afforded. Even with these improvements, the rate of turnover would be expected to exceed that of local districts because of travel demands and other factors.

Won't it cost a lot more per year to provide these benefit options to agency employees?

At the present time the FICA contributions for the kinds of personnel that would be employed by the new agency are about \$61,000 per year. The TRS and PERS costs to the agency are estimated at \$70,000.

What would it cost to have salaries at the same level as the Anchorage School District salary schedule?

Using the 18 positions budgeted under the current DOE contract it would cost about \$26,000 to reach parity.

It should be noted that entry level for program specialists would be expected to be a master's degree with certification in the specialty area plus three years of experience. For most districts, entry level in special education is a bachelor's degree and a general teaching certificate.

How much will it cost to have an agency board?

For an eleven member board to meet four times a year and to hold teleconferences, cost is estimated at \$16,000 as travel can be arranged to coincide with other education meetings such as the superintendents' or school boards' or special education directors' conferences.

What services are not provided that would be able to be provided by the new agency?

Due to limited funding and budget cuts, the funding for outreach services has not kept pace with the number of students needing services or with the other specialized programs funded by the state such as the State Program for the Deaf, the Multi-Handicapped Program, or the API Program, all operated by the Anchorage School District (but not on competitive bid award like the outreach services).

Consequently a number of basic services are not provided:

COST	STAFF	SERVICES	PURPOSE
\$70.0	2	Diagnostic/Therapy	Lack of multi-handicapped therapy services; need increased frequency and more services
5.0	0	Program and Staff Development	Advise districts/REAAs on needed services, how to develop local programs, help with recruitment and training, provide advanced training for outreach personnel
30.0	0	Summer Program for Blind Students	Orientation to an urban setting and other specialized training for blind/visually impaired students (12-15/summer) for two weeks
15.0		Central Site Training	One week training at a demo site for 15-20 rural teacher per year
15.0		Workshops	Specialists brought to a central location or to rural districts to give workshops to teachers and aides in areas such as language development for severely multi-handicapped
15.0		Materials and Equipment Loan	Loan to districts for short-term use and try-out to save districts from purchase of expensive equipment that is not appropriate
5.0		Equipment Repair	Repair and maintain equipment on hand

All of the above services were provided prior to F85 except for the purchase of materials and equipment. The services were cut due to contract reductions and restrictions. DOE has instituted a policy to involve the outreach contractor in planning of all out-of-district transfers. No increased funds were allotted for this service in F86.

Would the service agency be competing with existing private providers?

Because the education specialists are not available in the private sector, there is no competition factor to be considered. Because basic diagnostic work and school psychologist services would not be within the framework of the service agency, the public and private sector services would complement each other.

How many students will be served?

About 300 children will be served annually by about 20 specialized personnel at a cost of \$1.5 million, about fifty more students and \$200,000 more than currently budgeted in F86.

What is the time frame for implementing these services?

Time is of the essence in implementing this legislation. The services authorized must be available to school districts in the fall of 1986. Transition from a contract program which expires June 30th to full services under a new public agency must be accomplished quickly. The Commissioner of Education will have to appoint a board, and personnel will have to be recruited. Local districts are preparing their fall 1986 programs and budgets now. They must know that services will be available so their budgets can be finalized and students' individual education programs designed.

What about local control?

Local school districts have the primary responsibility for providing educational services. Therefore, within broad state and federal guidelines, local districts determine their own needs and services. The special education outreach agency will only serve exceptional students at the request of a local district.

For example, a district would initiate a referral to the agency when the district determines it cannot provide services required under the law to a particular student. The agency would take a look at the student's needs in concert with the local district. A service plan would be prepared and signed off by the local district. The services would then be delivered, and, at regular frequencies, the local district or REAA would evaluate, modify, and monitor the service.

By establishing a board with representation from school administrators, special education directors, teachers, and local parents of children requiring outreach services, responsiveness to local needs will be insured. Seven of the eleven board members would represent these constituencies.

Also, by having an agency separate from the Department of Education, but related to it by regulation, funding, and appointment of board members, a balance between department control and local control can be achieved.

A public board means public scrutiny of policies and operations and this, in turn, assures long-term viability and responsiveness of services.

Why not have the service provided by the Department of Education?

The original SB 319 called for the department to employ the personnel and provide the services. Two problems exist with that option. First, the department's role is administrative, regulatory, and consultative.

Second, the cost of-creating 20 or more state positions at the Education Specialist level and range would be more than the amount currently projected to operate the total program including travel, overhead, equipment, and associated costs.

What is the rationale for the funding mechanism?

First, funding for the outreach services must be stable. This is essential to guarantee that the services will be there when students and districts need them.

Second, funding must not come out of the foundation account. The foundation funding is to cover regular, on-going local district services. It is not designed to cover extraordinary costs such as school construction, or the costs of special schools, or the unpredictable, fluctuating costs of outreach services for these hard-to-serve handicapped students.

Given the possibility of reduced foundation funding over-all for some rural districts, and the fact that there has been no increase in foundation funding the past three years, the idea of taking the outreach services funding from the foundation account or charging districts for the services would be a "double whammy".

To give a funding floor for the outreach services, the proposed funding mechanism would be related to state funding for special education and to the number of students enrolled in special education programs. When over-all dollars for education increase or decrease, funding for the outreach services would increase or decrease. When special education enrollments increase, the need for outreach services will increase, and so funding will be related to that increase.

Since about two per cent of the state's special education students may need outreach services each year, an amount equal to two per cent of the funds appropriated for special education would be allocated to the special education service agency. Under the proposed DOE foundation proposal about \$63 to 65 million would be generated statewide for special education. Two per cent would be about \$1.3 million.

Based on \$100 per student in special education, an approach used in several other states, the 15,000 special education students would provide a base of \$1.5 million for the services.

The proposed legislation provides a base level of funding tied to these two important variables, state appropriations for education and student enrollments, and would not preclude districts from paying for additional services if this was mutually agreed. Nor would it preclude utilizing other agencies as agents or sub-contractors for services.

These principles are consistent with the principles used in school funding in Alaska and across the country: more students in more schools generate more dollars, and education funding changes based on state and local economic conditions.

If the funding were based on actual cost per student or dollars per student/district, there would be big fluctuations from fall to spring, and from year to year, with a constant game of "catch up" to what is needed, thus defeating the purpose of stabilizing the funding and insuring efficiency and continuity of service.

Why not have the funding level left to the annual discretion of DOE?

Discretionary funding does not provide stability or continuity from year to year. As discussed above, the services budget has been cut mid-year during the last two years: \$130,000 or about 10% in F85 and now another \$60,000 in F86.

A look at the funding levels for contract programs shows that the outreach services have been decreased while others programs have increased.

DOE CONTRACT PROGRAMS-SCHOOLS FOR THE HANDICAPPED

Program	#	F85	F86	Increase	% +/-	Cost/Student
OUTREACH	250	1,400.0	1,300.0	(100.0)	- 7.1	5,200
A.P.I.	20	206.1	247.8	41.7	+20.2	12,390
DEAF	60	1,294.5	1,407.3	112.8	+ 8.7	23,455
MULTI-HDCP	80	1,272.5	1,429.8	157.3	+12.3	17,872
A.N.M.C.	10	106.1	-0-	(106.1)	-100.0	-0-
OUT/STATE	9	400.0	40.2	(359.8)	- 90.0	60,000*
Total	429	4,679.2	4,425.2	(254.1)	- 5.4	

Note that the \$254,100 decrease from F85 to F86 was a transfer of funds to a new BRU for the Youth in Detention programs at McLaughlin, Fairbanks Youth Facility, and Johnson Human Services Center. The Alaska Native Medical Center services were eliminated in F86.

The API, Deaf, and Multi-Handicapped programs are contracted to the Anchorage School District and do not go out to bid.

* Estimated average cost/student for an out-of-state 12 month placement.*

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version : SB-212
Publish Date : _____

Revision Date: _____
Title : ...extending the termination date of the Special Education Service Agency..
Sponsor : Senator Zharoff
Requestor : Senate HESS

Agency Affected : Education
BRU : K-12 Support

Components : Schools for the Handicapped

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

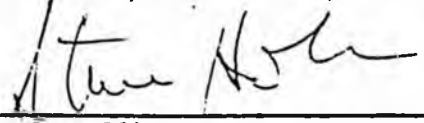
GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Funds for the operation of the Special Education Service Agency are presently included in the department's operating budget.

Prepared by : Steve Hole 
Division : Commissioner's Office Phone : 465-2800
Date : April 30, 1987

Approved by Commissioner : William G. Demmert Date : April 30, 1987
Agency : Education

- Distribution (by preparer) :
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - (Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

SB

225

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

SB225

March 30, 1987

The Honorable Jan Faiks
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the scholarship loan program, more commonly referred to as the "student" loan program. The two main objectives of the bill are to ensure that students with demonstrated financial need will continue to receive financial aid for pursuing their education, and to reduce the cost of the loan program.

The bill would accomplish the first objective by converting the current loan program to a two-tier program, the second tier of which is based on financial need. Under the two-tier program, Alaska students could apply for a loan of up to \$4,000 per year, regardless of financial need. This maximum loan amount compares to the current average loan award of about \$4,470. A supplemental loan of up to \$2,000 would be available to students, based on financial need criteria.

The bill would reduce the long-run cost of the loan program by eliminating "forgiveness" of loans and state payment of certain interest on loans. Surveys of loan recipients have shown that the forgiveness provision has not been a primary factor in most students' decisions on whether to live in Alaska after completing their education.

Legislation has been introduced in both houses of the legislature which would finance the student loan program primarily through the sale of revenue bonds. Although the bond financing proposal offers the attraction of lower general fund requirements for the next several fiscal years, I believe that the partially needs-based approach proposed in this bill would better serve both Alaska students needing financial aid and the long-term fiscal interests of the state.

The fundamental issue is whether Alaska can continue to afford to provide student loans for all applicants without regard to financial need for state aid. The cost of the

loan program has increased more than four-fold since FY 81. Although most other states have student loan programs, Alaska's is the only sizeable program that does not consider financial need in awarding loans. While many Alaska students might be unable to attend college or a vocational institution without state assistance, a significant proportion of loan recipients applies for loans simply because the loan terms are more attractive than using personal or family resources to finance their education.

In addition, under the current Alaska loan program, more than 2,000 applicants are turned away simply because they apply later in the fiscal year. Many of these denied applicants may have a greater need for state assistance than earlier applicants who receive loans. Basing loan awards at least partially on financial need, rather than solely on a first-come-first-serve system, is a more equitable method.

This bill ensures that students with the greatest need for state financial aid would receive loans, and allows general fund appropriations to the loan program to be reduced while continuing the vital role that this program has played in educating Alaskans. Although the number of loans awarded would decrease under my proposed FY 88 budget for the loan program, the persons denied loans would be those who can most afford to pay for their own education through personal or family resources. I believe that this bill offers a fairer and more fiscally sound approach to the student loan program than bond financing.

A section-by section analysis of the bill follows:

Section 1 of the bill makes amendments needed to conform AS 14.43.100(a) to other changes made to the loan program in the bill. It also amends that subsection to require that a loan applicant submit income and other financial information. This information will be used by the commission in adjusting the criteria to be used for determining financial need under proposed AS 14.43.116 (sec.4 of the bill).

Sections 2 and 3 of the bill amend the student loan program by changing it from a non-need-based program to a two-tier loan program, the second tier of which is based on financial need. Section 2 of the bill amends AS 14.43.110 to authorize the Alaska Commission on Postsecondary Education (PSEC), which serves as the "student financial aid committee," to make scholarship loans to both undergraduate and graduate students not to exceed \$4,000, and not based on financial need. This is the first tier of the two-tier loan program.

Section 3 of the bill amends AS 14.43.115 to authorize the committee (again, PSEC) to make supplemental scholarship loans to undergraduate and graduate students, not to exceed \$2,000, based on financial need. This is the second tier of the two-tier loan program.

Section 4 of the bill adds two new sections to AS 14.43. Proposed AS 14.43.116 describes the requirements for eligibility for the need-based supplemental scholarship loan. The PSEC will establish, by regulation, the criteria and procedures. In general, the regulations must use criteria and procedures for determining financial need which meet the requirements of the U.S. Department of Education for the evaluation of financial need in its federal financial aid programs, with an adjustment for Alaska conditions and the amount of money available for need-based loans. In addition, under proposed AS 14.43.117, one-third of the money estimated to be available for student loans is to be allocated for loans to students who apply for, and qualify for, both a scholarship loan and a supplemental scholarship loan. The intent of this provision is to ensure that money will be available for students who have the greatest financial need.

Section 5 of the bill amends AS 14.43.120(b)(1) to clarify that students who wish to use a student loan to attend a career education institution, which, by definition, would include one that offers a course or program in vocational-technical training, may do so only if the institution is one that has been approved by the PSEC before July 1, 1986 or has been operating in this state for at least two years before the student attends that particular institution.

Section 6 of the bill amends AS 14.43.120(i) to ensure that students are aware that defaulting on a scholarship loan could result in the taking of a student's permanent fund dividend, by the PSEC, in order to satisfy the balance due on the loan.

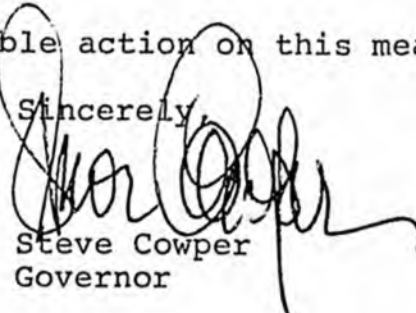
Sections 7 and 8 of the bill decrease the long-run cost of the loan program by providing for increased revenue to the scholarship revolving loan fund (AS 14.43.090). Section 7 amends AS 14.43.120(1)(1) to eliminate the state payment of interest during the period after a student ends full-time enrollment and before the student begins repayment of the loan. As is the case under existing AS 14.43.120(1), the state will pay interest as long as a student is enrolled full-time. Section 8 repeals AS 14.43.120(j), which provides for "forgiveness" of up to 50 percent of a loan.

Hon. Jan Faiks

Page 4

I urge your prompt and favorable action on this measure.

Sincerely,



Steve Cowper
Governor

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: SB 225

Bill Version: Draft
Publish Date: March 17, 1987 2-3,

Revision Date: March 20, 1987
Title: Student Loan Bill

Agency Affected: Education
BRU: Commission on Postsecondary Education

Sponsor: _____
Requestor: _____

Components: Student Loan Admin.
Student Loan Program

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		57.6	69.6	71.7	73.9	76.1
TRAVEL		--	--	--	--	--
CONTRACTUAL		70.2	2.0	2.1	2.1	2.2
SUPPLIES		12.0	3.0	3.2	3.3	3.4
EQUIPMENT		10.2	--	--	--	--
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	N.A.	160.0	74.6	77.0	79.3	81.7

CAPITAL	N.A.	-0-	-0-	[44.2]	[153.3]	[366.1]
---------	------	-----	-----	--------	---------	---------

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		160.0	74.6	77.0	79.3	81.7
FEDERAL FUNDS						
OTHER				[44.2]	[153.3]	[366.1]
TOTAL		160.0	74.6	32.8	[74.0]	[284.4]

POSITIONS:

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY		2.0	2.0	2.0	2.0	2.0

ANALYSIS : (Attach a separate page if necessary)

See Attached

Prepared by: Kerry D. Romesburg Executive Director Phone: 465-2854
Division: Commission on Postsecondary Education Date: March 20, 1987

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

Fiscal Note Detail

SB225

1. **Personal Services:** Needs analysis of two-tier program. Will require 1.0 additional full-time awards clerk, Range 10-A. Multiple applications will require 2.0 seasonal data entry clerks, Range 9-A.

Cost: 1.0 Awards clerk with benefits	\$29,825
2.0 Data entry clerks	<u>37,752</u>
Total	\$67,577

2. **Contractual:** One-time expense of modifying data processing system.

- a. Calculate and accumulate interest during the grace year including programming, design, testing, and implementation (765 hours).

Cost: \$39,780

- b. Calculate "need," process supplemental loans in awards and repayment systems including programming, design, testing, and implementation (584 hours).

Cost: \$30,368

3. **Supplies:** New application forms and new promissory note forms.

Cost: \$12,000

4. **Equipment:** One-time expense for on-line terminal and work station for awards clerk.

Cost: \$10,200

5. **Capital:** Loan fund. The impacts on the revolving loan fund and repayment cash flows are shown on the enclosed table. Please note that eliminating forgiveness benefits would have an accounting impact as early as 1989-90, since the outstanding receivables would not be decreased by this forgiveness amount (\$259,759). However, the cash flow impact of increased revenues would not be realized until 1994-95.

Sample Impacts (Increased Revenue)

<u>Year</u>	<u>w/o Forgiveness</u>	<u>w/Grace Interest</u>	<u>w/Grace Interest and w/o Forgiveness</u>
1987-88	None	None	None
1990-91	None	\$ 44,200	\$ 44,200
1993-94	None	\$ 933,707	\$ 933,707
1996-97	\$ 2,152,297	\$1,857,324	\$ 4,087,269
1999-00	\$ 7,905,694	\$2,777,633	\$10,968,539
2010-2011	\$19,013,130	\$3,467,698	\$23,166,761

ADDITIONAL FISCAL ANALYSIS
PROGRAM RECEIPTS FY88-11

SB 225

Year	Loan Volume	Current Principal	Program Interest	w/o Forgiveness Principal	w/o Forgiveness Interest	w/Grace Interest	w/Grace and w/o Forgiveness Interest
1987-88	80,000,000	--	--	--	--	--	--
88-89	80,345,504	--	--	--	--	--	--
89-90	80,676,052	821,700	402,875	821,700	402,875	447,054	447,054
90-91	81,024,565	2,852,109	1,398,374	2,852,109	1,398,374	1,551,718	1,551,718
91-92	82,865,042	6,808,418	3,338,132	6,808,418	3,338,132	3,704,187	3,704,187
92-93	85,341,434	11,931,947	5,850,171	11,931,947	5,850,171	6,491,693	6,491,693
93-94	87,298,990	17,366,420	8,514,665	17,366,420	8,514,665	9,448,372	9,448,372
94-95	88,375,670	22,977,903	11,265,946	23,152,203	11,351,404	12,501,355	12,596,185
95-96	88,261,738	28,697,525	14,070,246	29,302,518	14,366,871	15,613,171	15,942,324
96-97	87,007,173	34,545,156	16,937,309	35,989,365	17,645,397	18,794,633	19,580,369
97-98	84,895,801	40,497,140	19,855,536	44,180,924	21,661,675	22,032,869	24,037,067
98-99	88,748,536	46,499,475	22,798,449	50,357,559	24,690,047	25,298,498	27,397,526
99-00	91,166,845	51,662,369	25,329,789	56,967,155	27,930,697	28,107,422	30,993,542
2000-01	92,991,621	55,598,981	27,259,889	62,525,548	30,655,948	30,249,174	34,017,641
01-02	94,155,886	57,625,014	28,253,243	67,197,346	32,946,506	31,351,458	36,559,378
02-03	95,130,963	58,596,524	28,729,569	67,186,823	32,941,347	31,880,017	36,553,654
03-04	96,214,236	59,400,950	29,123,975	69,264,476	33,960,009	32,317,673	37,684,021
04-05	97,349,392	60,144,727	29,488,644	71,103,406	34,861,627	32,722,332	38,684,509
05-06	98,462,230	60,873,880	29,846,145	72,667,598	35,628,542	33,119,037	39,535,523
06-07	99,498,206	61,552,678	30,178,956	73,776,160	36,172,064	33,488,342	40,138,647
07-08	100,489,383	62,202,124	30,497,376	74,425,606	36,490,484	33,841,680	40,491,985
08-09	101,518,364	62,876,347	30,827,943	75,305,907	36,922,091	34,208,496	40,970,921
09-10	102,687,093	63,642,129	31,203,402	76,242,324	37,381,211	34,625,128	41,480,388
10-11	103,992,073	64,497,180	31,622,629	77,255,146	37,877,793	35,090,327	42,031,424


SB

226

MEMORANDUM

(Brief Communications)

State of Alaska

TO:	Name Ed Overt	Dept./Div./Sect. Senate HESS Committee	Mail Stop
FROM:	Name Jenny Strickler 	Dept./Div./Sect. Occupational Licensing/DCED	Telephone x 2144
SUBJ.:	Amendment to SB 226		Date April 10, 1987

Attached is the amendment I mentioned about over our telephone conversation. The optometry board requested this amendment and is currently in a draft bill that has not been introduced yet by the Governor.

The reason that I am suggesting this amendment to SB 226 is because there is a national pharmacology examination available through the National Board of Examiners in Optometry (NBEO). The Alaska board presently requires the NBEO exam as a prerequisite to licensure but does not offer the exam in this State because the statute limits the exam to Parts 1 and 2 only. Since this statute was written, the exam has changed. We have been in contact with the NBEO and they are willing to come to Alaska and administer both the NBEO and the pharmacology exams at no cost to the State. This amendment will allow the board to offer the exams in Alaska, and, will not jeopardize the compromised portions of the bill.

If you have any questions, please call me. Thank you.

SB 226: An Act relating to the practice of optometry.

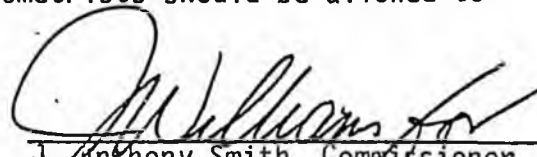
SB 226 grants authority to the Board of Examiners in Optometry to authorize licensed optometrists to administer certain drugs, defined in section 3 of the bill. Basically, the bill creates a new category of regulation - optometrists qualified to administer drugs. The department can support the provision of granting special authorization to qualified individuals rather than providing an overall authorization for all licensees as proposed in previous legislation.

Information obtained by the department indicates that a national pharmacology examination is available for use through contract with the national optometry testing services. In addition, the national exams administered to optometry graduates in 1975 and subsequent years contained a section relating to pharmacology. Therefore, some of the 72 licensed optometrists in Alaska may already be qualified to administer certain drugs.

There are 35 states which presently allow optometrists to administer diagnostic drugs, and 13 states which allow optometrists to use both diagnostic and therapeutic drugs. Alaska is one of two remaining states which do not allow optometrists to administer drugs.

The department does not have the expertise to provide input on the type of drugs optometrists should be permitted to administer. Therefore, the department will defer comment on section 3 of the bill to other health professions (i.e., medical, pharmacy, etc.) or to the Department of Health and Social Services.

In summary, the department does not oppose the establishment of a separate category for optometrists to administer drugs. However, the department will remain neutral since it does not have the expertise to comment on the type of drugs optometrists should be allowed to administer.



J. Anthony Smith, Commissioner
Department of Commerce and Economic
Development

Date: _____

4/10/87

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____
 Revision Date: _____
 Title: An Act relating to the practice of optometry.
 Sponsor: Senate HESS
 Requestor: _____

Bill Version: SB 226
 Publish Date: 4/1/87

Agency Affected: Commerce & Economic Dev.
 BRU: Occupational Licensing
 Components: All

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary) SB 226 establishes a new category of regulation for optometrists who wish to administer drugs. The bill requires applicants to complete an examination required by the board. A national exam is available and applicants will be held responsible to cover the cost of the exam. The exams can also be administered in conjunction with existing exams and therefore, new funds are not needed to implement this bill.

Prepared by: Jennifer Strickler, Management Analyst Phone: 465-2144
 Division: Occupational Licensing Date: 4/9/87

Approved by Commissioner: J. Anthony Smith Date: _____
 Agency: Commerce and Economic Development

Distribution (by preparer):

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

State of Alaska
Department of Commerce &
Economic Development
Division of Occupational Licensing

AS 08.72.160 is amended to read:

Sec. 08.72.160 EXAMINATION. (a) The examination shall be written, practical, and oral in nature. The [THE NATIONAL BOARD OF EXAMINERS IN OPTOMETRY EXAMINATION, PARTS 1 AND 2 SHALL COMPRISE THE] written portion of the Alaska examination shall be comprised of all or part of a national or international examination as designated by the board in regulations. The oral portion of the examination shall be recorded and retained for two years.

[(b) AN APPLICANT WHO FAILS THE PRACTICAL OR THE ORAL PORTION OF THE EXAMINATION MAY TAKE A RE-EXAMINATION IN THAT PORTION WITHOUT PAYING AN ADDITIONAL EXAMINATION FEE.]

(c) An applicant who fails one [THE WRITTEN] portion of the examination may take a reexamination in the portion failed [THE WRITTEN PORTION] upon payment of a re-examination [AN ADDITIONAL EXAMINATION] fee established under AS 08.01.065.

(d) An applicant who fails more than one portion of the examination must retake the entire examination and pay the [FULL] examination fee.

SOLDOTNA OPTOMETRY CLINIC
JOHN A. DEMSKE, O.D.
DOCTOR OF OPTOMETRY
WOODRUEF BLDG. - SUITE 202, 155 SMITH WAY
SOLDOTNA, AK 99669
TELEPHONE (907) 262-3168

APR 22 1987

April 20, 1987

Honorable Paul Fischer
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Fischer,

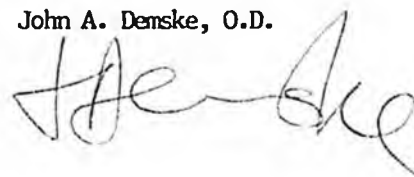
I'm writing to thank you for introducing the optometry bill and also for passing it out of your committee in a timely manner.

As we have discussed previously, this bill is long overdue and is truly in the best interests of the people of Alaska.

My colleagues and I look forward to your continued support of this important bill.

Sincerely,

John A. Demske, O.D.



JAD|ps



Member

American Optometric Association

TESTIMONY

IN SUPPORT OF SB 226

APRIL 10, 1987

Senators Fischer, Josephson, Jones, Kerttula and Halford: My name is Lynn Coon. Since 1984 I have been a practicing optometrist in Wasilla, Alaska. I earned a Doctor of Optometry degree from Pacific University in 1972. Initially I practiced optometry as an officer in the United States Air Force for over four years at several military hospitals. Next, I taught a broad spectrum of optometry courses as a full time Assistant Professor of Optometry at Pacific University in Oregon. In addition, I have taught hundreds of hours of continuing education to optometrists and ophthalmologists in many parts of our country. My areas of teaching expertise include examination procedures, contact lenses and specific topics in diagnosis and management of eye disease. I was also chief investigator in several University based longitudinal research projects in orthokeratology, extended wear contact lenses and the corneal endothelium. I currently serve on the Board of Advisors for Pacific University College of Optometry.

I want to thank each of you for allowing me to testify today in support of Senate Bill No. 226, "An Act relating to the practice of optometry."

In the past fifteen or so years optometrists in Alaska, as well as every other state, have sought passage of legislation that would allow optometrists to practice at the full level of their training. This practice expansion would include the use of certain pharmaceutical agents. I am currently chairman of the Legislative Committee of the Alaska Optometric Association. Our Legislative Committee was appointed by the President of the Alaska Optometric Association and empowered to seek passage of legislation that would allow properly trained, qualified and licensed optometrists to employ certain drugs and techniques used in the diagnosis and management of eye conditions, including eye diseases.

Senate Bill No. 226 represents a carefully negotiated, constructive compromise between the Alaska Optometric Association and the Alaska Association of Ophthalmology. These two organizations have literally been at war for years over the right of optometrists to expand their scope of practice to include the use of pharmaceutical agents. After hours of negotiating, a chosen group of optometrists and ophthalmologists, chosen by their professional organizations to make binding decisions for their respective organizations, was able to compromise and produce a document, Senate Bill No. 226. Ophthalmologists, Dr. Oliver Korshin and Dr. Ed Crouch, members of the Alaska Association of Ophthalmology, and I signed a

joint resolution of support for Senate Bill No. 226. That milestone resolution is included in your information packet.

Senate Bill No. 226 essentially expands the scope of optometric practice to include the use of specific pharmaceutical agents for examination purposes. Optometrists in 48 of the states have the right, as defined by statute, to use these agents. On July 16, 1971, Rhode Island passed the initial legislation allowing optometrists to utilize drugs. Now, the only states that do not allow some application of drugs by optometrists are Maryland, and, that's right, Alaska! Because of the wide geographic distribution of Alaskan optometrists and the sophisticated training level of the modern optometrist, the State of Alaska is seriously overdue in passing appropriate legislation.

Optometrists have conclusively proved that they are capable of judicious use of the requested drugs. Literally thousands of cases of eye disease have been detected and diagnosed by optometrists in the 15 years since the initial statute was signed into law. There are many types of eye disease and conditions that cannot be adequately detected unless the optometrist can use these drugs. Optometrists in Alaska are currently liable for not detecting conditions that may only be fully revealed after the use of certain of these drugs. And

the people of Alaska deserve to have the benefit of modern examination methods in all eye doctors' offices.

By allowing the Alaskan optometrist to incorporate more eye disease detection techniques, discomfort, suffering and vision loss will be reduced to many of the thousands of people in Alaska that use our services. Costs to the people of Alaska will be reduced by properly licensed optometrists producing more competition with the ophthalmologists that are currently the major group that utilize these agents. Travel for certain diagnostic tests will also be reduced due to the wider geographic distribution of optometrists.

Optometrists are properly educated to safely and effectively use pharmaceutical agents. I personally was responsible for part of the training in this area students at Pacific University College of Optometry were exposed to between 1976 and 1983. Furthermore, I taught much of the same material to a large number of optometrists in Oregon, Washington and Idaho. The intensive education that the average modern optometry student receives includes 156 hours of pharmacology, which is equal to or greater than all other health care professionals using pharmaceutical agents. Eye disease education is similarly intense and is taught by qualified experts including optometrists, board certified ophthalmologists and other