

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672

5655 HOUSE HEALTH, EDUCATION & SOCIAL SERVICES

59

POSITION PAPER BY S.E.R.R.C.

POSITION PAPER

House Bill 185: An Act relating to the Public School Foundation program

PURPOSE

The purpose of this bill is to provide equity in the public school foundation program by adding a percentage factor to schedules (a) and (b) in AS 14.17.041 to correct a funding problem where a school district consists of two or less funding communities.

BACKGROUND

A funding community is the determinant by which districts generate instructional units to determine basic need. The funding community schedules front end load instructional units. That is, it takes fewer students to make an instructional unit. This method is used to financially assist small schools. However, when a funding community is also a district, the schedule is not adequate to cover the costs of district as well as school operations. These districts have two choices: (1) reduce educational program expenditures to accommodate district operational costs, or (2) seek additional local funds from the municipal government. This is only possible if the local tax base can generate revenue in real dollar terms.

On the other hand, a district which has many funding communities can repeat the schedule many times. They receive a "bonus" which provides

adequately for the district and school costs.

ALTERNATIVES

Do Nothing: This is unacceptable. If this Legislature reduces the appropriation required to fully fund the foundation program by 5 percent, the impact on single/dual site districts is devastating.

Consolidate Smaller Districts: Consolidation of Districts may be viable where they are connected by road. Program and administrative efficiencies may be realized. However, this approach is very questionable when communities are physically isolated from each other. No program efficiencies can be realized, for children cannot be brought together to increase class size and program offerings. Clearly, it costs more to operate a multiple site district than a single site district, so administrative efficiencies are not realized.

ADDITIONAL COMMENTS

It was the intent of the Legislature in enacting this foundation program to assure an equitable level of educational opportunity for those in attendance in the public schools of the state (AS 14.17.220) The proposed change provided in this bill will help assure that intent is met.

MEMORANDUM

State of Alaska

Department of Education

TO: Steve Hole
Deputy Commissioner

DATE: February 17, 1989

FILE NO: FAC 1742

TELEPHONE NO: 465-2865

FROM: Tom Ryan
Acting Director
EFSS

SUBJECT: Single/Dual Site Consortium
Proposed Foundation Program
Amendment

A Consortium of Single/Dual Site school districts is proposing a change to the foundation program (attached) which provides an extra percentage calculation for twenty eight school districts. The Consortium claims that this extra funding is needed to counteract negative effects of the current formula.

We have reviewed the analysis done for the Consortium by the South East Regional Resource Center (SERRC). While that analysis does show a reduction in average expenditures for Consortium school districts, it does not show a pattern of reductions common to the group as a whole. The current formula was designed partly for the purpose of reducing funding for districts with ADM under 1000 which had been favored by the previous formula.

The Consortium analysis uses surveys of superintendents in single/dual site districts to conclude that there were "disproportionate/disparate program curtailments," yet there is no similar survey data shown for multi-site district programs. The survey comments are particularly subjective and are not corroborated by test scores or grass roots pressure which would help identify program inadequacies. That single/dual site district schools may not offer all of the program options available in larger districts is a manifestation of the efficiency of scale achievable in larger districts, and does not by itself indicate a foundation formula problem.

There are certainly some districts in the Consortium who are having difficulty maintaining a level of program offerings acceptable to their community. Yet we do not believe this is true for all or even the majority of Consortium school districts. Our analysis of the SERRC data shows a greater variance in effects of funding formula changes on Consortium districts than upon multi-site districts. We can find no common denominator which identifies the Single/Dual Site Consortium school districts as a group with a common problem requiring a common solution.

We recommend that the State Board oppose the extra percentage bill if it is submitted in the legislature, because it provides a solution to a common complaint and not to a clearly identified common problem. At the February Board meeting we will provide department analyses of the data illustrating the variation in Consortium experiences through various foundation program changes.

DOE response to SB 179 ³³

ALASKA PUBLIC SCHOOL FOUNDATION FUNDING PROGRAM

PREPARED 11/22/89

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BASED ON

4

FFY86 APPL. McDowell STUDY

5

6	PL874 254	FY90	SUM TOTAL	SINGLE/DUAL	ESTIMATED
7 SCHOOL	(NOMINAL LAND	FOUNDATION	COLUMNS	CONSORTIUM	NET EFFECT
8 DISTRICT	ADD-ON	ADJUSTMENT	2 PLUS 3	SOLUTION (A)	
10					
11 ADAK	0	164,800	164,800	1195,453	1260,253
12 ALASKA GATEWAY	189,692	(1196,200)	(1106,508)		(1106,508)
13 ALUTTIAN REGION	163,935	130,600	194,535		194,535
14 ANCHORAGE	1951	0	1951		1951
15 ANNETTE ISLAND	1292,167	1121,200	2413,367	1171,408	1584,775
16 BERING STRAIT	1954,423	1115,800	11,070,223		11,070,223
17 BRISTOL BAY	140,853	1108,600	1169,453	1166,304	1295,757
18 CHATHAM	1165,177	1207,000	1372,177		1372,177
19 CHUGACH	134,633	175,600	1110,233		1110,233
20 COPPER RIVER	156,613	(144,400)	114,213		114,213
21 CORDOVA	0	1219,000	1219,000	1186,349	1403,349
22 CRAIG	12,091	170,800	172,891	1169,401	1222,694
23 DELTA CREEKY	0	(192,400)	(192,400)	1284,511	1192,111
24 DILLINGHAM	189,692	152,200	1161,892	1232,136	1374,028
25 FAIRBANKS	0	(1633,000)	(1633,000)		(1633,000)
26 GALENA	1115,449	133,600	1169,049	1163,489	1292,538
27 HAINES	0	(145,000)	(145,000)	143,563	138,563
28 HOONAH	129,302	130,000	159,302	1167,962	1227,264
29 HYDABURG	14,643	147,400	151,843	197,595	1169,438
30 IOTIARD	1164,288	0	1164,288		1164,288
31 JUNEAU	1381	0	1381		1381
32 KATZ	166,173	194,200	1160,373	1128,008	1264,373
33 KASHMIRIUT	1117,216	153,400	1170,616	1165,282	1335,898
34 KENAI	119,967	0	119,967		119,967
35 KETCHIKAN	0	0	0	1315,614	1315,614
36 KIGLIK COME	144,839	144,800	1113,639		1113,639
37 KILBUCK	144,823	949,000	1133,823	1129,558	1263,381
38 KODIAK	115,783	(1127,200)	(1111,417)		(1111,417)
39 KULUK	1163,862	0	1163,862		1163,862
40 LAKE & PENINSULA	1210,441	143,400	1300,081		1300,081
41 LOWER Kuskokwim	11,308,958	(1453,000)	1456,958		1456,958
42 LOWER YUKON	1942,208	1201,000	11,143,203		11,143,203
43 NAT-SU	0	0	0		0
44 NEENAH	1198	(184,000)	(183,110)	1167,011	143,201
45 NEPE	0	181,008	181,008	1267,973	1348,973
46 NORTH SLOPE	1560,580	1328,808	1479,388		1479,388
47 NORTHWEST ARCTIC	1769,039	(1228,000)	1541,039		1541,039
48 PELICAN	0	110,200	110,200	140,264	170,464
49 PETERSBURG	0	0	0	1172,188	1172,188
50 PRIDLOF	1100,345	1164,400	1246,745	1129,230	1375,975
51 RAILBELT	0	(1497,400)	(1497,400)		(1497,400)
52 SAND POINT	0	146,008	146,008		146,008
53 SITKA	13,042	0	13,042	1271,176	1274,218
54 SKAGWAY	0	0	0	1113,400	1113,400
55 SOUTHEAST ISLAND	1100,345	1207,400	1307,945		1307,945
56 SOUTHWEST REGION	1344,515	199,000	1443,515		1443,515
57 ST. PARRY'S	134,633	173,200	1107,833	1127,109	1234,942
58 TARRAH	115,522	125,808	141,322	1104,591	1165,873
59 UNALASKA	11,332	125,800	127,132	1152,430	1179,562
60 VALDEZ	0	(1175,200)	(1175,200)	1209,151	133,951
61 WENDELL	0	0	0	1189,264	1189,264
62 WASKIYAT	118,449	1133,400	1154,249	1114,152	1268,401
63 YUKON PLATS	1235,331	(1356,400)	(1121,069)		(1121,069)
64 YUKON-COYUKUK	1315,251	(144,000)	1267,251		1267,251
65 YUPIIT	1225,537	(130,000)	1195,537		1195,537
66					
67					
68					
69					
70 TOTALS	17,804,926	(168,400)	17,736,526	14,672,776	112,409,252
71					
72					

SINGLE / DUAL SITE CONSORTIUM FINANCIAL STUDY

REVIEW AND ANALYSIS

Study and Proposal.

The Consortium study examined the revenues and expenditures per pupil in ADM from FY1986 to FY1989 for thirty school districts characterized as single/dual site districts. The findings are that revenues per ADM to these school districts have been declining, as have expenditures, over the fiscal years studied. Additional state funding by formula adjustments to instructional units for these districts is recommended by the study.

Review and Analysis.

Department analysis was directed at examination of the state aid pattern to three groups of school districts: single/dual site districts, large metropolitan school districts, and dispersed rural school districts. State aid revenue patterns were the primary focus for analysis because that is what the Consortium Study proposes changing. Area differentials were removed from the state aid data so the funds measured represent the instructional support aspect of the formula. State aid per ADM was then recomputed using the adjusted aid amounts. A statistical measure called the "coefficient of variation" was applied to examine the relative differences within the three identified groups. It then became possible to examine the effects of changes in state funding at three fiscal periods and determine the extent to which the state funding formula may have contributed to variations within a group, as well as between groups.

Audited state aid revenues were examined for fiscal years 1983, 1986 and 1988. The foundation program formula in FY83 was based upon ADM counts converted to instructional units with the state equalizing local contributions with state funds by a formula element called "supplemental equalization aid". From FY84 through FY86 appropriations were made on a statutory amount per ADM derived from the FY83 formula, with variations in appropriations levels each year. FY87 was not examined because changes to ADM funding were asystematic and resulted in problems with the federal P.L. 874 Impact Aid program requiring a special appropriation in FY88 to re-equalize state aid. FY88 was the first year of the current foundation program formula which was adopted to better equalize funding of districts.

The foundation formula recognizes district size and dispersion of schools as significant cost factors and adjusts for them. Geographic cost factors were recently studied in detail for the Legislature, and were not analyzed in this review. Neither were expenditures examined since they represent budgetary actions and decisions of school boards and their administrators, and expenditure differences would necessarily parallel revenue fluctuations.

SINGLE/DUAL SITE CONSORTIUM FINANCIAL STUDY

REVIEW AND ANALYSIS -Page 2-

Findings

The horizontal bar graph shows the three school district groupings for three fiscal years. The single/dual site group of districts is the most disparate measured on an aid per ADM basis. Districts in this group vary from 48 to over 2,500 pupils in size. Conversion of ADM counts to instructional units causes extreme variations in state aid within this diverse group. When presented as amounts per ADM of revenue, these within-group differences are amplified. However, for the three fiscal years examined, this group had the least variation in terms of dollars per ADM provided from the state.

Districts over 2,500 students in size are less diverse as a group compared to the single/dual site group on the \$/ADM basis of comparison. This is due in part to local contribution requirements in the current formula, and changes in the adjustment of P.L.874 Impact Aid funds, both of which decrease state aid. Variances within this group from converting ADM to instructional units and dollars are small, and result in a lower amount per ADM when averaged. This grouping shows the greatest decline in state aid in FY88.

Within dispersed rural districts as a group, conversion of ADM to instructional units commonly causes wider variations in state aid. Small changes in ADM cause major changes in units and dollars paid. This group of districts also derives substantial revenues from the P.L.874 Impact Aid program, and the decreased state aid per ADM in FY88 is largely due to the equalization adjustments of the latest formula.

Conclusions.

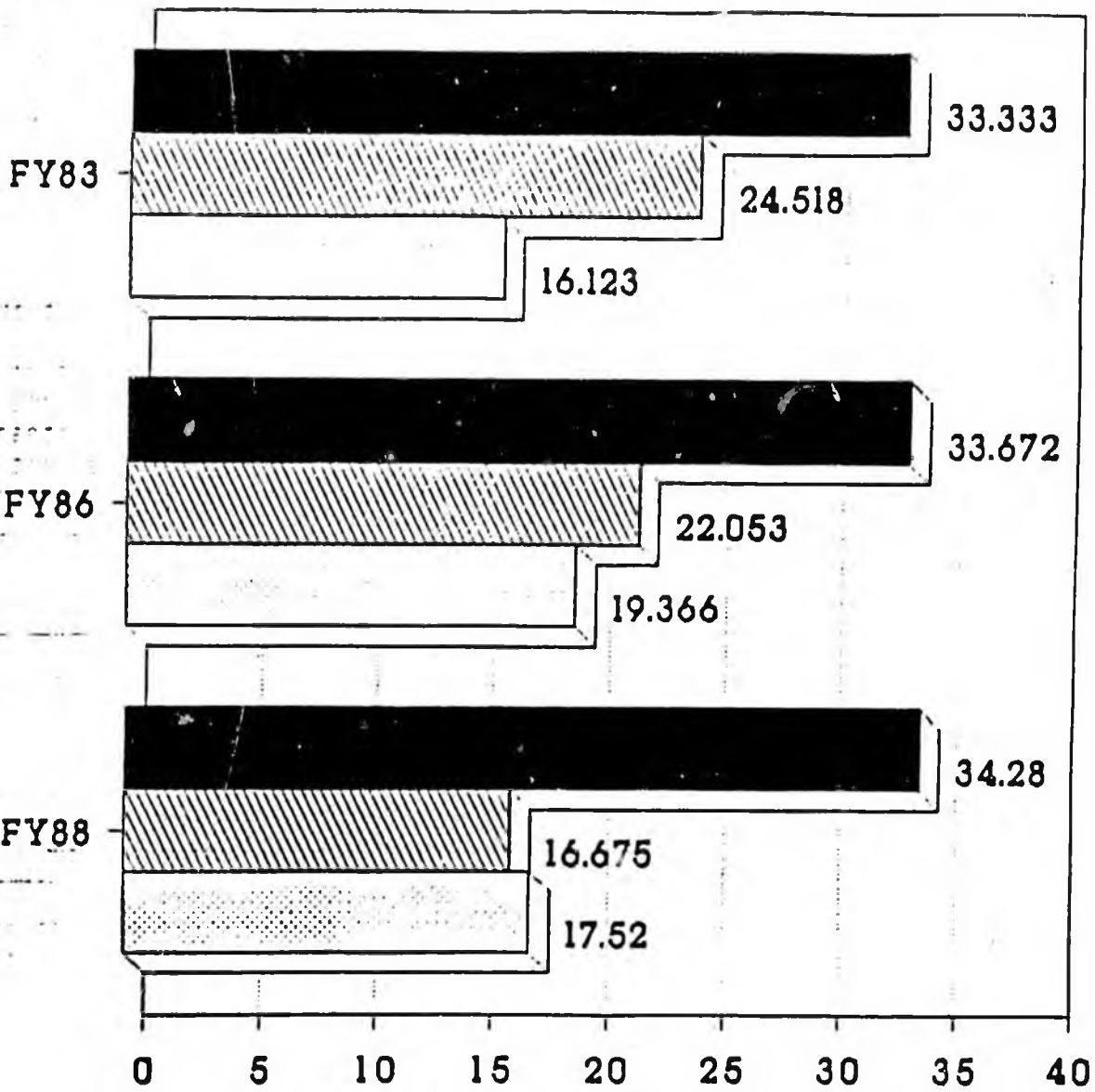
The foundation program formula implemented in FY88 appears to have had the least effect on state aid to the single/dual site districts as a group. This is a widely varied group, which logically precludes generalizations about problems or solutions to problems affecting them.

The Single Site / Dual Site District Consortium Financial Study Report of December, 1988 proposes foundation formula adjustments which would provide more state aid to the school districts within the group. Assuming no reductions in state appropriations for school support in FY90, the study is a reasonable political proposal. If state appropriations for school support decrease, the proposed changes would be accommodated at the expense of other school districts.

The current foundation formula did pass the federal P.L.874 Impact Aid equity check known as the "disparity test" on the basis of FY88 audited school district revenues. The proposed changes will probably increase the disparity between districts, but such changes should not cause the state to flunk the test so far as existing data indicates.

SINGLE/DUAL SITE DISTRICTS

VARIATIONS FY83/FY86/FY88



SINGLE/DUAL, LARGE, DISPERSED RURAL

Series 1
 Series 2
 Series 3

Foundation Program Analysis

ALASKA DEPARTMENT OF EDUCATION
 SCHOOL OPERATING FUND REVENUES
 COMPARISONS OF CHANGE: FY83 TO FY88, FY86 TO FY88 & FY81 TO FY88
 FA:COMP3100 (02/15/88)

SCHOOL DISTRICT	FY83 AID MIGRS AREA DIFF.	FY83 FINAL AID 1982-8,	FY83 STATE AID PER AID	FY86 STATE AID MIGRS FY83 AREA DIFF.	FY86 STATE AID FY 1986 ADJUSTED AID PER AID	FY88 STATE AID FY 1988 FOUNDATION FINAL AID AREA DIFF.	FY88 STATE AID ADJUSTED PER AID	\$ PER AID PERCENTAGE FY86 TO FY83	\$ PER AID PERCENTAGE FY88 TO FY83	\$ PER AID PERCENTAGE FY88 TO FY86		
* SINGLE/DUAL SITE DISTRICTS *												
ADAK	\$2,808,733	593	\$4,738	\$1,793,170	603	\$2,974	\$1,617,020	604	\$2,879	62.76%	56.51%	90.87%
ALUTIAN REGION	\$1,417,474	121	\$11,716	\$1,036,409	90	\$11,516	\$1,221,034	105	\$11,664	98.29%	99.56%	101.29%
ARCTIC ISLAND	\$1,644,511	341	\$4,024	\$1,452,531	395	\$3,677	\$1,132,279	415	\$2,732	76.16%	56.57%	74.20%
BISTOL BAY	\$1,320,574	212	\$6,329	\$1,410,944	217	\$6,510	\$1,394,579	245	\$5,683	104.83%	91.23%	87.83%
COFOVA	\$1,924,904	430	\$4,484	\$1,817,930	396	\$4,591	\$1,964,781	429	\$4,580	102.34%	102.10%	99.30%
COYC	\$1,455,197	146	\$7,227	\$1,319,654	184	\$7,019	\$1,290,321	213	\$6,050	97.12%	83.82%	86.30%
DELTA CREEK	\$4,494,745	940	\$4,786	\$4,241,596	994	\$4,298	\$3,854,134	930	\$4,350	89.44%	86.71%	96.73%
HILLINGDALE	\$2,164,512	175	\$5,777	\$2,496,503	419	\$5,019	\$2,401,743	443	\$5,185	100.71%	89.74%	89.09%
GALBRE	\$947,401	142	\$6,644	\$992,555	140	\$6,706	\$806,896	151	\$5,337	104.95%	80.33%	79.57%
HAINES	\$2,116,034	360	\$5,569	\$2,127,840	360	\$6,257	\$1,878,013	366	\$5,134	112.37%	92.30%	82.12%
HOOVER	\$1,374,042	237	\$5,696	\$1,311,930	227	\$5,779	\$1,272,537	240	\$5,311	101.66%	93.24%	91.90%
HYDERBURG	\$737,221	93	\$7,927	\$855,935	97	\$8,024	\$897,150	109	\$8,201	111.32%	103.45%	92.91%
KREE	\$1,349,728	191	\$7,067	\$1,464,909	214	\$6,845	\$1,044,176	188	\$5,812	96.87%	82.25%	84.91%
KASROBROOK	\$0			\$1,886,000	152	\$6,619	\$1,013,975	149	\$4,000			90.65%
KETCHIKAN	\$3,975,903	2,364	\$3,174	\$9,535,027	2,435	\$3,916	\$8,812,987	2,531	\$3,482	116.07%	103.20%	84.91%
KING COVE	\$753,798	103	\$7,334	\$819,088	126	\$6,581	\$790,186	135	\$5,868	88.81%	80.18%	90.27%
BLANCK	\$1,029,134	139	\$7,404	\$1,121,387	157	\$7,143	\$944,149	170	\$5,787	96.47%	78.16%	81.02%
KEEBA	\$1,040,489	125	\$8,324	\$1,019,053	112	\$9,106	\$1,396,623	201	\$6,940	109.39%	87.37%	76.21%
KORR	\$3,454,192	711	\$4,725	\$3,923,117	816	\$4,808	\$3,297,427	725	\$4,549	101.74%	96.27%	94.62%
PALICAN	\$569,314	40	\$11,851	\$94,825	48	\$12,392	\$525,048	49	\$10,674	104.48%	89.61%	85.72%
PETERSBURG	\$2,243,750	572	\$3,923	\$2,317,054	562	\$4,275	\$2,985,744	630	\$4,812	108.98%	117.54%	107.00%
PRIDLOF	\$1,315,007	167	\$7,874	\$929,303	167	\$5,565	\$996,684	152	\$6,564	78.67%	83.35%	117.95%
SAND POINT	\$669,617	124	\$5,440	\$654,664	111	\$5,498	\$902,203	140	\$6,468	109.22%	117.71%	109.67%
SITKA	\$5,697,073	3,503	\$1,599	\$6,334,713	3,596	\$3,969	\$8,140,325	3,617	\$3,803	110.29%	105.61%	95.01%
BEACHY	\$950,400	169	\$5,624	\$846,120	125	\$6,769	\$820,269	142	\$5,797	128.37%	103.00%	85.64%
ST. MARY'S	\$1,064,719	107	\$9,951	\$1,313,151	111	\$10,024	\$1,054,797	112	\$9,184	100.78%	94.31%	93.50%
TALIDA	\$827,412	97	\$8,510	\$683,535	71	\$9,627	\$732,495	85	\$8,610	112.86%	101.03%	89.51%
UNALASKA	\$976,441	171	\$5,711	\$882,416	137	\$6,149	\$767,428	153	\$5,009	107.64%	87.71%	81.47%
VALDEZ	\$3,544,284	882	\$4,205	\$3,334,754	771	\$4,324	\$2,440,368	693	\$3,520	102.93%	83.72%	81.33%
WASCELL	\$2,172,587	880	\$4,526	\$2,150,313	655	\$4,726	\$2,344,103	507	\$4,623	104.62%	102.15%	97.83%
WATKINS	\$1,014,521	155	\$6,571	\$1,007,010	159	\$6,716	\$757,431	134	\$5,663	102.20%	86.18%	84.32%

AVERAGE \$/AID >>			\$5,387.81			\$6,645.42			\$5,994.74			

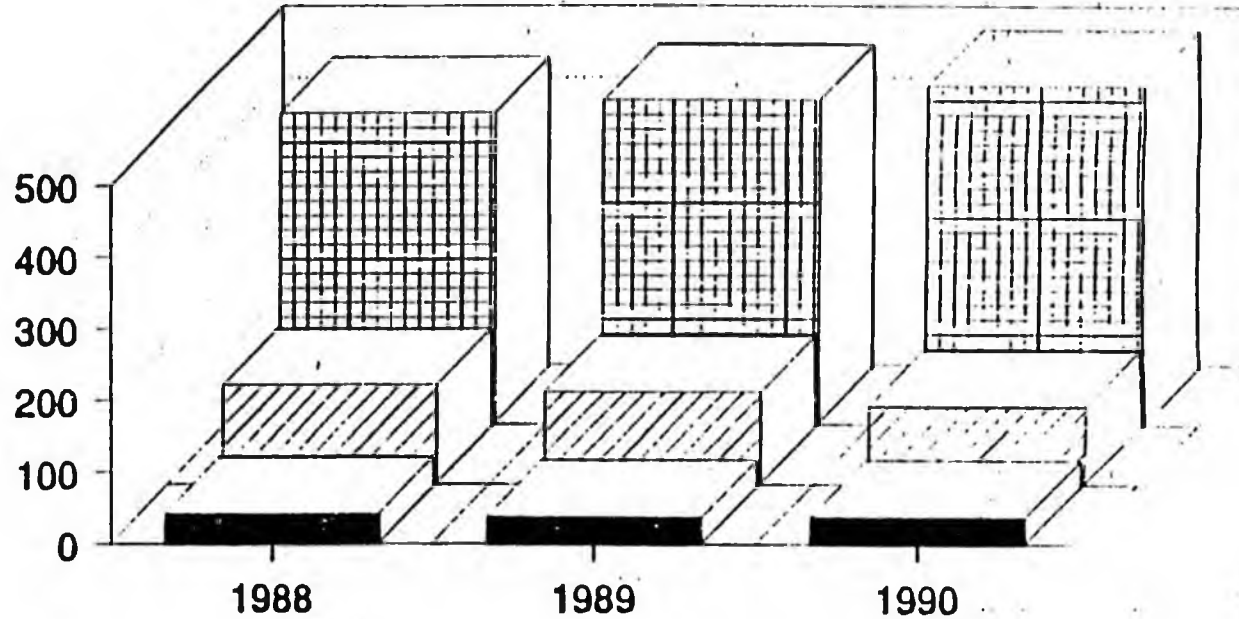
STANDARD DEVIATION \$/AID >>			\$2,128.81			\$2,237.67			\$2,056.99			

COEFFICIENT OF VARIATION %			39.16%			33.67%			34.32%			

FOUNDATION PROGRAM

FISCAL YEARS 1988-1990

Millions of Dollars



	1988	1989	1990
STATE AID	431.608	449.532	469.644
LOCAL EFFORT	135.935	125.715	105.519
90% PL874	40.603	36.523	36.695

■ 90% PL874

▨ LOCAL EFFORT

▤ STATE AID

017



Delta/Greely School District

Delta/Greely School District
REAA #15
P.O. Box 327
Delta Junction, Alaska 99737-0327
907/895-4658

Delta School
Pouch 1
Delta Junction
Alaska 99737
907/895-4698

Ft. Greely School
P.O. Box 647
Delta Junction
Alaska 99737-0647
907/869-3105

February 17, 1989

FEB 21 1989

Tom Ryan, Acting Director
Educational Finance & Support Services
Department of Education
P.O. Box F
Juneau, AK 99811

Dear Tom,

Pursuant to the request from you and Steve, I am writing to convey my thoughts regarding the proposal from the Single/Dual Site Consortium. First, let me say that the Delta/Greely schools could certainly use the additional monies generated by this proposal, or from any other source for that matter! However, although the additional monies would be welcomed, I do not agree with the manner in which the monies would be generated. I do not believe that the "small" districts have a unique set of problems different from other districts.

As you know, the proposal from the Single/Dual Site Consortium was based upon a study sanctioned and paid for by selected individual districts. I believe that a complete review of the school funding formula is in order for all 55 school districts. The foundation program review should be continuous with necessary changes proposed from year to year.

It is my belief that the problem that is being addressed by the consortium is not a formula problem at all, but a comparison problem with the previous school foundation program. Specifically, I believe that the comparison problem is primarily a result of the table placed in the prior foundation bill which calculated instructional units for city and borough school districts of less than 1,000 average daily membership. This particular table was unique to that bill and calculated a relatively large number of instructional units. When the current foundation program instructional units are compared to the units calculated from that table, the figures show a significant difference. The real question is whether the current foundation formula should be amended to increase instructional units for those districts, or whether the prior formula was artificially high? I believe that the hold harmless provisions built into the current foundation formula were designed to address the comparison problem and that the current formula provisions for calculating instructional units are acceptable. Certainly, under the current foundation program, all school districts of given characteristics are treated alike, whether they are city or borough districts, or REAA's.

Of the thirty "small" districts designated in the small schools funding study, twenty-five are city and borough school districts. Twenty-three of those districts are below 1,000 ADM and would have been impacted by the table in the previous foundation bill. Another significant change which impacts the data calculation in the small school funding study is that the average daily membership for pre-school children was added into the district ADM for the FY 87 student counts. The FY 87 budget

Tom Ryan, February 17, 1989.

year was also the year where there was a dramatic decrease in state funding for public schools. With the decreased funding and the increase in ADM, the revenue per student figures show, in most cases, a dramatic decrease from the FY 86 revenue per student figure to the FY 87 revenue per student figure. In fact, from the data in the small schools funding study, only three of the fifty-five school districts show an increase in the revenue per student from the FY 86 year to the FY 87 year.

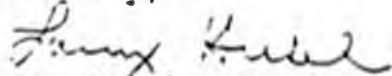
In FY 88, the first year of implementation for the new school funding formula, thirty-six districts showed an increase in the revenue per student. Nineteen of these thirty-six districts which showed an increase are in the "small" districts designated by the consortium. Obviously, there is no significant difference between the "small" districts and the "other" districts in this statistic. The projected figures for FY 89 further indicate that thirty-four of the school districts show an increase in the revenue per student figure. Twenty of these thirty-four districts are again included in the "small" districts.

In a separate comparison that I made looking at the revenue per student comparisons from the FY 87 year to projected FY 89, thirty-five districts show an increase. Of those thirty-five districts, seventeen of those are included in the "small" districts. Utilizing the data from the small school study, eleven districts show an increase in the revenue per student comparing FY 89 to FY 86. Five of those eleven districts are again within the "small" districts.

All of these comparisons indicate that there is no significant difference in the problems faced by the "small" districts than those faced by the remainder of Alaska school districts. There are approximately as many gainers and losers within the "small" districts as there are in the "other" districts. Certainly, there are some real revenue problems within Alaska school districts. However, I do not believe that the proposal to modify the formula put forth by the Single/Dual Site Financial Consortium is a positive response to those problems.

A copy of my notes from my presentation to the State Board of Education on November 8, 1988, are enclosed. As I stated there, I believe that the school foundation program needs continuous attention, study and modification to meet recognized needs. The experience of the last two years in conjunction with numerous PL 81-874 issues, necessitate a review of the premises upon which the formula was based. Based upon a study of the needs and concerns of all Alaska school districts, necessary proposals for change would be initiated.

Sincerely,


Larry Huxel, Superintendent

LH/tp
Enclosure

Alaska State Board of Education

Funding Issues - - November 8, 1988

- Single site districts have problems
 - Not all single site districts have similar problems
- All district have problems compared to 85-86
- Formula certainly needs continuous attention, study and modification
- First year (87-88) data just being compiled
- Remember - primary driving force behind new formula was PL874 disparity problems
- HB 604 failed in 86 legislature, bill which passed failed PL 874 disparity (SB408)
- New formula judged to pass PL 874 disparity test
- Age-old school finance question - -
 - money problem or formula problem?
 - how much vs distribution system
- Single site issue ----- money problem
 - too little money compared to prior receipts
- Were prior receipts too high or current receipts to low?
- Hold harmless based upon premise that some districts were too high
- Formula question - - are similar school districts treated comparably?
 - - are there reasons for varying dollar allocations?

- I believe you will find that the answers are "Yes" to both questions
- Formula is not the problem - the comparison is the problem
- There are reasons that some single site school district compare unfavorably - - specifically city and borough districts under 1000 ADM
- SB 408 contained a new table designed for these districts
I believe that this table is single largest problem in comparisons
- Junior high issue and special education factors of earlier years probably also play a part in unfavorable comparisons
- One notable problem in current formula is front-loading of units for each funding community - - single funding community districts receive "front-loading" only once
multiple funding community districts receive bonus
- Issue was not noted during formula development as a major problem - - issue was recognized as an incentive for new funding communities
- Front-loading more legitimate in small funding communities (less than 200 AD in K-6 or 7-12)
-- probably questionable in larger funding communities where economy of scale in staffing is not a major issue
- Formula problems are minimal - - Revenue problems are significant

SIMPLIFIED EXAMPLE OF FRONT-END LOADING ON SCHOOL FOUNDATION
FORMULA - AS 14.17.041

EACH DISTRICT HAS 20 STUDENTS

Formula = 2 Instructional Units for first 10 students
2 Instructional Units for 11 - 20 students per site

Multi-Site District - 20 students

o o o o o o o o o o o Total = 8 Inst.
o o o o o o o o o Units

At \$60,000 per Instructional unit, this multi-site district would receive \$480,000.

Single/dual site - 20 students

o o o o o o o o o o Total = 4 Inst.
o o o o o o o o o o Units

Single Site District - 20 Students

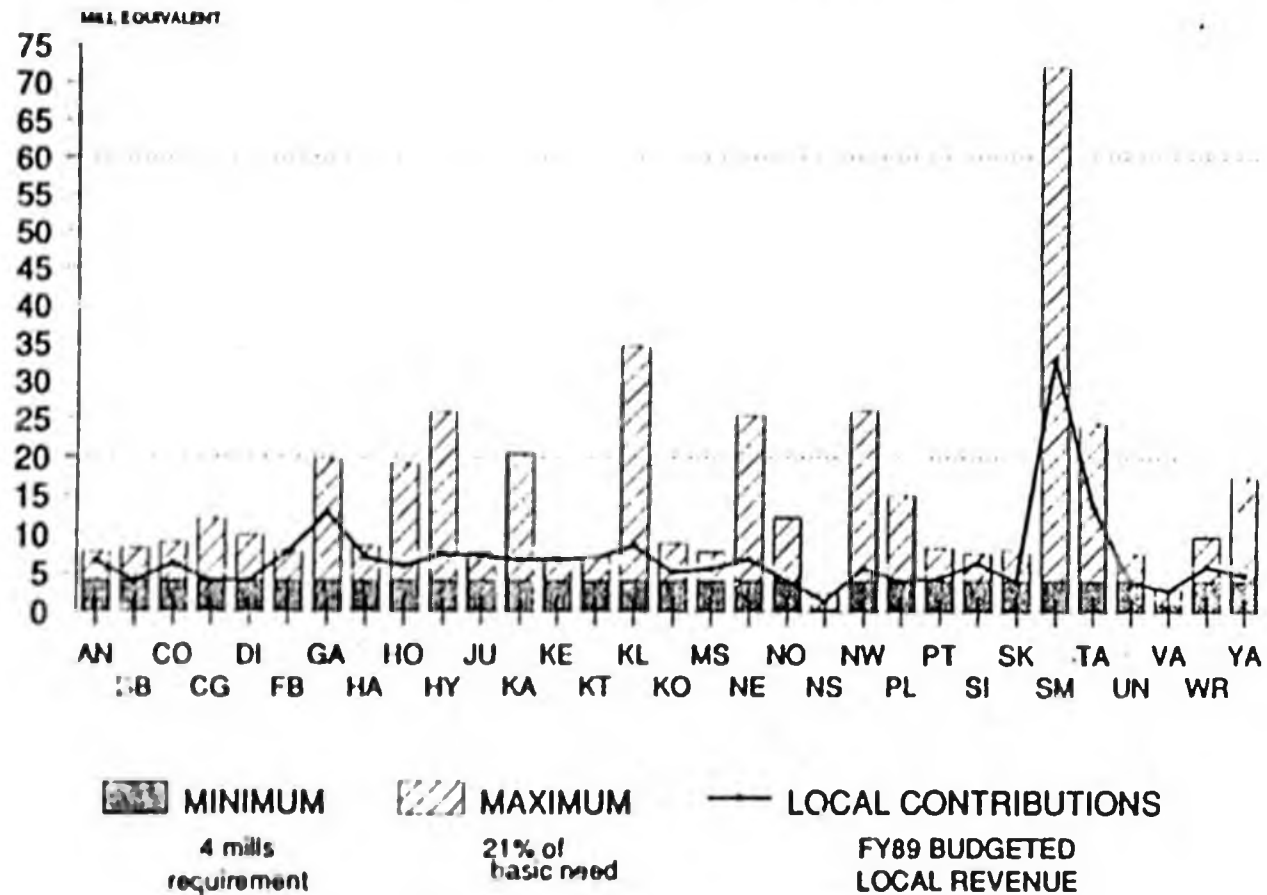
o o o o o o o o o o Total = 4 Inst.
o o o o o o o o o o

At \$60,000 per instructional unit, this dual-site district would receive \$240,000.

CITY/BOROUGH SCHOOL DISTRICTS FY90 LOCAL CONTRIBUTIONS

School District
abbreviations

- Anchorage - AN
- Bristol Bay - BB
- Cordova - CO
- Craig - CG
- Dillingham - DI
- Fairbanks - FB
- ~~Galena - GA~~
- Haines - HA
- Hoonah - HO
- Hydaburg - HY
- Juneau - JU
- Kake - KA
- Ketchikan - KE
- Klawock - KL
- Kodiak - KO
- Mat Su - MS
- Nenana - NE
- Nome - NO
- North Slope - NS
- Northwest Arctic - NW
- Palcaan - PL
- Petersburg - PT
- Sitka - SI
- Skagway - SK
- St. Mary's - SM
- ~~Unalaska - UN~~
- Unalaska - UN
- Valdez - VA
- Wrangell - WR
- Yakutat - YA





ANNETTE ISLANDS SCHOOL DISTRICT

PO Box 7 • Metlakatla, AK 99926

Accredited by Northwest Accreditation Association

High School Principals Office
(907) 826-5000
FAX (907) 826-5120

Superintendent's Office
(907) 826-5322
FAX (907) 826-5130

Elementary Principals Office
(907) 826-5120

March 30, 1989

Dear Representative Goll,

In the very recent past the Alaska Department of Education prepared and presented a funding proposal which would modify the education financing scheme. This proposal was produced in response to the Single/Dual Site funding formula findings and was presented to certain legislative bodies for consideration.

The Department of Education formula produces a number of concerns, not the least of which is the fact that this formula was developed in the absence of any organized research or data gathering effort.

The Department of Education should be required to respond to the following questions regarding their funding formula proposal:

1. What evidence exists to limit the funding proposal to single funding sites and to eliminate dual site from any financial enhancement.
2. The Department of Education has been aware of certain inequities that exist in single and dual site districts. No effort has been to address either the programmatic deficiencies or the funding deficiencies. Why has the Department elected to ignore these problems.
3. The Department of Education formula proposal eliminates one-third of the assessed value of the State of Alaska in determining assessed value per pupil. What is the rationale for this determination.
4. What rationale supports the Department of Education's determination to adopt the Kake/Dillingham temporary solution suggested more one year ago.
5. Why has the Department of Education waited until this late date to develop a funding proposal when audited financial data and programmatic inequities in the single/dual school districts were known nearly one year ago.

6. Why has the Department of Education changed its position regarding the recognition of the deficiencies? Why does the Department of Education currently support a proposed Foundation Formula change when less than one month ago the Department claimed that no problems existed in funding single and dual site school districts?
7. Why has the Department of Education declined to provide the Single/Dual Site Consortium information related to the rationale for their financial proposal.
8. Mr. Huxel, instrumental in drafting the Foundation Formula, indicates that the existing formula includes front-end loading which is advantageous to multiple site school districts. The disparity between multiple and single/dual site school districts is excessive and the Single/Dual Site Consortium Study supports and demonstrates this excess. Why hasn't the Department of Education addressed this issue.

As stated above, it is my opinion that the Department of Education should be required to respond to these important concerns. Legislators, if they are to reach a reasonable conclusion regarding the structure of the funding formula, need this information as well. Should the Department of Education be able to adequately defend their funding proposal with statistical and programmatic data, the Single/Dual Site Consortium would probably accept their findings. However, in the absence of an empirical analysis, it is quite difficult for the school districts which are disparately affected to accept a proposed formula change which is not based on analysis or study.

Your interest in this communication is genuinely appreciated.

Sincerely,



Walter E. Bromenschenkel, Ed.D.
Superintendent of Schools

\smschc

SITKA SCHOOL DISTRICT

ACCREDITED BY THE NORTHWEST ASSOCIATION OF SECONDARY SCHOOLS & COLLEGES



P. O. BOX 179 SITKA, ALASKA 99833

April 4, 1989

The Honorable Johnny Ellis
Chairman
House HESS Committee
P.O. Box V
Juneau, Alaska 99811

Dear Representative Ellis:

RE: HB-185 AND SB-179

I would like to thank Representative Kay Wallis, Representative George Jacko, and Senator Dick Eliason for recognizing the tremendous inequity that our present State funding formula imposes on single site school districts. HB-185 and SB-179 will not eliminate the obvious inequities but they certainly will reduce the inequities to something more manageable.

There are many examples throughout the State that typify one district's wealth compared to another district's poverty. On the same day that I was working with a group of students and parents about cutting our student athletic program due to the lack of funds, I was asked how another district could send all of their graduating seniors to Hawaii at the district's expense. I couldn't answer that question and I doubt if the Alaska Department Of Education can answer that question either. Please look around, do some checking, and you will find example after example of the inequities that I am bringing to your attention.

Presently, half of the other forty-nine states are in some form of litigation over the inequity of their educational funding. I think it would be a darn shame if that's where Alaska ends up.

As I said earlier, HB-185 and SB-179 won't eliminate the problem but they will indicate that the Legislature recognizes the problem and is trying to do the right thing by all districts. That message is needed in a lot of districts and is needed soon.

Sincerely,

Art Woodhouse
Superintendent
SITKA SCHOOL DISTRICT

**WRANGELL****PUBLIC SCHOOLS
DISTRICT OFFICE**

P.O. BOX 2319

WRANGELL, ALASKA 99929

Telephone (907) 874-2347

MARY A. FRANCIS, Ph.D., Superintendent

GATEWAY TO THE STIKINE

4/4/89

8:30 - 10:00 A.M.

House HESS hearing on HB 185

Mary Francis, Superintendent
Wrangell City School District

Thank you for this opportunity to speak in favor of HB 185.

I am the superintendent of one of the affected school districts. You've already heard the many technical arguments in support of our claims and so, I won't repeat them.

But, what I would like to share with you is what Wrangell's adopted budget looks like for next year.

We have adopted and sent to the City Council a budget that is a reduction over this year's budget of \$187,000, or 5.1%. What that reduction represents is:

1. one teacher attrition not filled;
2. 6 instructional aides eliminated;
3. maintenance or reduction in all line items;
4. 25% reduction in travel, including student activities.

What it does not include is an underfunded instructional unit!

This budget forces us to request an additional appropriation from the City Council of \$142,000 -- and with the recent closure of Wrangell's mill, the picture is not pretty.

Now, these reductions are reductions to a budget that never did include:
elementary counseling or nursing;
elementary PE or art specialists;
secondary AP courses;
physics and chemistry offered in the same year;
upper level foreign language courses,
or even more than one language;
computer languages;
a variety of English electives;
on-site therapy services.

When one of my board members attended a recent State Board of Education meeting on the small district funding topic, it was suggested to him that consolidation of districts like ours may be the answer. I'd like to note that before the State Board puts pressure on small municipalities with a long history of municipal government, it ought to pressure for reducing the duplication of services that presently exist. For example, only a couple of years ago, there was a new REAA created right in the middle of an existing one and there are currently both municipal school districts and REAA's operating in the towns of Nenana, Ketchikan and Dillingham. These last three possibilities for consolidation would be far less controversial than combining long-standing municipalities.

It should be obvious that with a 5% reduction in the foundation program also being discussed, my only next recourse is to lay off non-tenured teachers (many of whom reflect our most recent program priorities).

I also fear that the ability to remain accredited will be at risk. My entire program (which is already pretty basic) is in grave jeopardy of further erosion.

I urge your support of HB 185 to address the program inequities we here in Wrangell face.

Thank you.

MF:lh

SITKA SCHOOL DISTRICT



TO : House HESS Committee Members

FROM : Joe Beckford, Ass't. Sup't. *Joe B.*
Sitka School District

DATE : April 4, 1989

RE : House Bills 119 & 185

House Bill 119

My questioning of Mr. McDowell was meant to bring out that the area differentials are invalid as applied. In a market basket approach to determining a cost of living index, a wide range of expenses impacting a total budget are compiled. In the school district cost survey, a relatively few expenses are extrapolated out as if they impacted the whole school district's budget. While the cost of utilities, transportation, and freight comprise a relatively small portion of school district budgets, the area differentials they represent are applied to 100% of a district's entitlement. The area differentials should be adjusted according to how much of a school district's budget goes into expense categories truly impacted by differential costs. This is not being done. This and the dispersion calculations have a compounding effect which has significantly led to the creation of "have's" and "have not's" in state foundation funding. It has also led to a small number of communities which want a good basic educational program having to pay an extremely high amount of local funding in order to do so.

House Bill 185

Sitka School district could add to the scenarios that other single site school districts have provided in their testimony to show the wholesale cutbacks in people and programs which have occurred over the last several years; cutbacks which were the direct result of inadequate funding through an inequitable funding formula.

A good example of the problem can be shown by looking at next year's (FY'90) Basic Need calculations for Sitka Schools. Basic Need is what it should cost Sitka to carry out its educational program with the number of students and groupings of students (foundation units) for which it is eligible.

The inadequacy of Basic Need, as a realistic cost

determinant, can be shown by the following:

- Basic Need (132.66 units x \$60,000.)	=	\$ 7,959,600.
- Sitka's salary and benefit costs	=	<u>7,855,122.</u>
		\$ 104,122.

After payroll expenses, Basic Need leaves the district with \$104,122. to pay the utilities (electricity, fuel oil, water, sewer, and garbage), insurance, mandated costs (i.e. audit, curriculum review, etc.), contracted services, and other expenses. Basic need, at full funding is not covering the bills let alone talk of prorating the basic need by 95%.

It is my understanding that the Department has put together an alternate proposal which would exclude Sitka and some of the other higher category districts from the relief sought under HB 185. They claim that the larger districts proposed for this relief have efficiency of size. If you look at the computation of Basic Need, efficiency of size has not been taken into consideration anyplace else in funding formulations. If you take Anchorage's Basic Need and divide it by their enrollment (38,685.23), you get \$ \$4,830.17 per pupil; Sitka's Basic Need (at 1657.90 enrollment) is \$4,943.24; a \$ 113.07 difference. However, Northwest Arctic School District, which is comparable to Sitka in size has a Basic Need per pupil of \$10,004.46.; a \$6,188.68 difference. Where has efficiency of size been taken into consideration in the foundation formulations ? The answer is nowhere, and that is a part of the problem that the small school district's face.

The Department's input on this issue is vacuous; it has no data or valid rationale to support its position because the facts are very clear; small single site school districts, of which Sitka is and should be a part, have taken a disproportionate higher reduction in state funding than other categories of school districts.

THE FOLLOWING DOCUMENT HAS
NOT BEEN FILMED BUT IS
AVAILABLE IN THE ORIGINAL
FILE

ALASKA SCHOOL DISTRICT PROFILES AND DIFFERENTIAL STUDY

SUMMARY OF RESULTS AND RECOMMENDATIONS

CHAPTER I OF VOLUME I

PREPARED FOR:

LEGISLATIVE BUDGET AND AUDIT COMMITTEE
ALASKA STATE LEGISLATURE

PREPARED BY:

THE MCDOWELL GROUP
A DIVISION OF
DATA DECISIONS GROUP, INC.

IN ASSOCIATION WITH
DR. NAT COLE

DECEMBER 1988



H B

189

Alaska State Legislature

Representative Fran Ulmer



PO. BOX V
Juneau, Alaska 99801
(907) 465-4947

HOUSE OF REPRESENTATIVES

MEMORANDUM

March 28, 1989

TO: Rep. Johnny Ellis, Chair
House Health, Education and Social Services Committee

FROM: Rep. Fran *Ulmer*

RE: HB 189, an act creating a forward funding account for education; and
HB 190, an act making a special appropriation to the forward funding account.

.....

House Bill 189 creates a "forward funding for education account" which would allow the state to fund public education one year in advance. Under the current conditions, school districts do not know what their funding levels will be until the legislature makes final budget decisions in the late spring. By that time, school districts have already passed their deadlines for planning the next year's programs and either issuing lay-off notices or advertising for new positions. Those program and staffing decisions are being made without clear knowledge of the district's actual ability to implement.

HB 189 would redress this problem by allowing school districts to know state funding levels well in advance of their own budget preparation. Program and personnel decisions would enjoy the continuity and stability necessary for effective service delivery. I believe there are many benefits for both municipal government and local school districts by allowing for longer range planning based on more revenue certainty.

House Bill 190 makes a special appropriation to the forward funding for education account from windfall revenues the state may receive from the Dinkum Sands case and the North Slope royalty case. Although estimates vary widely, the revenues to be received will be in excess of \$2 billion. Although we don't know exactly how much the state will receive, or when the case will be resolved, we can

House HESS Committee
March 28, 1989
Page 2

be certain the revenues will greatly exceed the \$600-\$700 million needed for the forward fund.

I believe the forward funding for education account is an excellent use of windfall revenues. The state's response to such windfalls in the past has been impulsive spending which results in little future investment for the state. An appropriation to education is an investment in the future welfare of the state of Alaska, with returns realized year after year. I believe it is the wisest, long-term use of those revenues.

FU/dl

JUNEAU SCHOOL DISTRICT BOARD OF EDUCATION

RESOLUTION #12-89

A RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU SUPPORTING FORWARD FUNDING FOR PUBLIC EDUCATION.

WHEREAS, the right to a free education for every child has been universally recognized, and in Alaska is mandated by Article VII, Section 1 of the Alaska State Constitution; and

WHEREAS, education provides the opportunity for reaching personal fulfillment and economic self-sufficiency; and

WHEREAS, to fail to provide that opportunity penalizes not only the individual child, but also the society as a whole; and

WHEREAS, Federal revenues for education have become increasingly more unpredictable; and

WHEREAS, current state revenue has been unpredictable and future state oil revenues are projected to decrease with the gradual decline of Prudhoe Bay production, making State general fund support of public education more difficult and uncertain; and

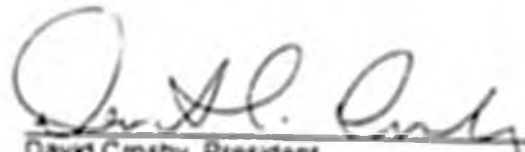
WHEREAS, dramatic swings in funding for education cause serious disruptions in the delivery of educational services to the great detriment of school age children in Juneau; and

WHEREAS, a fund which has been established from lapsed public school foundation and construction monies and money from the judicial decision on Dinkum Sands and North Slope royalty cases could provide critically important long-term, stable funding for public education in Alaska.

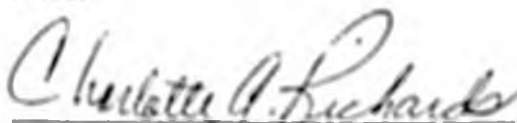
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

1. That the Board of Education of the City and Borough of Juneau supports and endorses HB189 and HB190 creating a "forward fund" for public education in the State of Alaska.
2. That this resolution shall be effective March 21, 1989.

Adopted this 21st day of March, 1989


David Crosby, President

Attest:


Charlotte Richards, Clerk



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1011 W. 13RD AVENUE
ANCHORAGE, ALASKA 99501
(907) 774-0536

JUNEAU OFFICE

116 MUNICIPAL WAY SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3720

FAIRBANKS REGIONAL OFFICE

2118 CLYDEMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-8415

March 27, 1989

To: Representative Johnny Ellis, Chair
Members, House HESS Committee

Re: House Bill No. 189: "An Act creating the forward funding for education account; providing for lapse of funds in the public school foundation account; and providing for an effective date."
House Bill No. 190: "An Act making a special appropriation to the forward funding for education account; and providing for an effective date."

NEA-Alaska supports and encourages your favorable consideration of HB 189 and HB 190.

The concept of forward funding as provided for in HB 189 is essential if the continuity in planning, programs, and services is to be restored in public education in Alaska.

School districts and staff must know on something far better than a year to year basis the level of state support for public education. Under current practices longer range planning cannot be effective when a school district is not aware of funding levels until 2 or 3 months before the commencement of another school year.

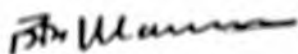
Essential student programs and services are constantly being started, stopped, or reduced and frequently many certificated and non-certificated staff do not even know whether or not they will have employment until early in the school year.

Forward funding will put an end to much of the current instability in many school districts and, in doing so, enhance the quality of our programs.

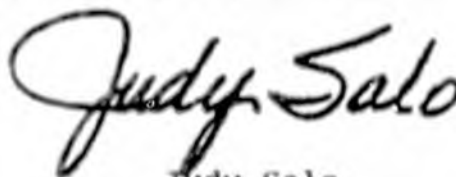
In addition to the appropriation from litigation settlements referenced in HB 190, we encourage that consideration be given to utilizing other revenue sources in establishing the forward funding account including but not limited to the permanent fund earnings reserve.

Thank you for your consideration of our position.

Respectfully submitted,



Bob Manners
Executive Secretary



Judy Salo
President

cc: Representative Fran Ulmer

STATE OF ALASKA
THE LEGISLATURE

POUCH V. STATE CAPITOL
JUNEAU, ALASKA 99811
907-463-3800

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

H. HESS 3-22-89

Original sponsors: Ulmer, Brown,
and MacLean

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 189 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the forward funding for education
7 account; providing for lapse of funds in the public
8 school foundation account; and providing for an
9 effective date."

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

11 * Section 1. AS 14.07 is amended by adding a new section to read:

12 Sec. 14.07.065. FORWARD FUNDING FOR EDUCATION ACCOUNT. (a) The
13 forward funding for education account is established in the general
14 fund. The account consists of

15 (1) appropriations to the account for distribution in
16 designated fiscal years to the public school foundation account under
17 AS 14.17, the school construction account under AS 14.11.100, and
18 elementary and secondary education programs; and

19 (2) undesignated funds lapsed from the public school foun-
20 dation account, the school construction account, and elementary and
21 secondary education programs.

22 (b) The money in the account may only be distributed to the
23 public school foundation account, the school construction account, and
24 elementary and secondary education programs in the fiscal year for
25 which the money was designated except that the legislature may reap-
26 appropriate undesignated funds in the account.

27 (c) The money in the account shall be transferred to the pub. c
28 school foundation account, the school construction account, and ele-
29 mentary and secondary education programs on the first day of the

1 fiscal year for which the money was designated.

2 (d) Interest received on money in the account shall be accounted
3 for separately and may be appropriated into the account annually by
4 the legislature.

5 (e) The unexpended and unobligated balances of appropriations
6 for elementary and secondary education programs lapse into the account
7 as undesignated funds.

8 (f) In this section

9 (1) "account" means the forward funding for education
10 account created under (a) of this section unless the context otherwise
11 requires;

12 (2) "elementary and secondary education programs" means the

13 (A) school district pupil transportation contract
14 reimbursement program under AS 14.09;

15 (B) tuition students program;

16 (C) boarding home grants program;

17 (D) youth in detention program; and

18 (E) schools for the handicapped program.

19 * Sec. 2. AS 14.11.100(d) is amended to read:

20 (d) Money in the school construction account which, at the end
21 of the fiscal year for which the money is appropriated, exceeds the
22 amount required for the allocations authorized in this section reverts
23 to the forward funding for education account in the general fund as
24 undesignated funds.

25 * Sec. 3. AS 14.17.010(a) is amended to read:

26 (a) The public school foundation account is established. The
27 account consists of money transferred from the forward funding for
28 education account under AS 14.07.065 and other appropriations for
29 distribution to school districts, the state boarding school, and for

1 centralized correspondence study programs under this chapter.

2 * Sec. 4. AS 14.17.010 is amended by adding new subsections to read:

3 (c) The unexpended and unobligated balance remaining in the
4 account at the end of a fiscal year lapses into the forward funding
5 for education account as undesignated funds.

6 (d) In this section "account" means the public school foundation
7 account created under (a) of this section unless the context otherwise
8 requires.

9 * Sec. 5. This Act takes effect July 1, 1989.
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FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Forward Funding For Education
Sponsor: Ulmer, Brown and MacLean
Requestor: House HESS

Agency Affected: Education
BRU: K-12 Support, Education Finance and Support Services
Components: Foundation, CIP Overhead and Associated Costs

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Mary Hakala
Division: Commissioner's Office
Approved by Commissioner: William G. Demmert
Agency: Education

Phone: 465-2800
Date: 3/28/89
Date: 3/28/89

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

HB

190

HOUSE COMMITTEE REPORT

(7)

Date Referred: February 21, 1989

FURTHER REFERRALS: FINANCE

Date of Committee Action: 4/12/89

The HEALTH, EDUCATION, & SOCIAL SERVICES Committee considered: HB 190

HOUSE BILL NO. 190 [APPROP: FWD FUNDING FOR EDUCATION ACCOUNT]
"An Act making a special appropriation to the forward funding for education account; and providing for an effective date."

RECOMMENDS:

- replacing with CSHB 190 (HESS) the same title
- the attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis

APPROVES PREVIOUS:

- fiscal note(s) published: _____
- zero fiscal notes(s) published: _____

SIGNING DO PASS:

J. Ellis
Chris Davis

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)

Peter J. ...
Mark Baker NO REC
... NO REC
... NO REC

J. Ellis

 Chairman's signature

A M E N D M E N T

OFFERED IN THE HOUSE

BY ELLIS

TO: HB 190

Page 1, line 7, after "account;":

Insert "making a special appropriation to the budget reserve fund;"

Page 1, after line 21:

Insert a new bill section to read:

"* Sec. 2. That portion of the money received by the state on or after the effective date of this Act from the settlement or final judicial determination of the Dinkum Sands case (United States v. Alaska) and the North Slope royalty case (State v. Amerada Hess, et al.) and not deposited into the Alaska permanent fund under AS 37.13.010(a)(1) or (2) or into the public school trust fund under AS 37.14.110 or appropriated to the forward funding for education account (AS 14.07.065) under sec. 1 of this Act, is appropriated to the budget reserve fund (AS 37.05.540)."

Renumber the following bill section accordingly.

Alaska State Legislature

Representative Fran Ulmer



P.O. Box V
Juneau, Alaska 99811
(907) 465-4947

HOUSE OF REPRESENTATIVES

MEMORANDUM

March 28, 1989

TO: Rep. Johnny Ellis, Chair
House Health, Education and Social Services Committee

FROM: Rep. Fran Ulmer

RE: HB 189, an act creating a forward funding account for
education; and
HB 190, an act making a special appropriation to the
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House HESS Committee

March 28, 1989

Page 2

be certain the revenues will greatly exceed the \$600-\$700 million needed for the forward fund.

I believe the forward funding for education account is an excellent use of windfall revenues. The state's response to such windfalls in the past has been impulsive spending which results in little future investment for the state. An appropriation to education is an investment in the future welfare of the state of Alaska, with returns realized year after year. I believe it is the wisest, long-term use of those revenues.

FU/dl

JUNEAU SCHOOL DISTRICT BOARD OF EDUCATION

RESOLUTION #12-89

A RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU SUPPORTING FORWARD FUNDING FOR PUBLIC EDUCATION.

WHEREAS, the right to a free education for every child has been universally recognized, and in Alaska is mandated by Article VII, Section 1 of the Alaska State Constitution; and

WHEREAS, education provides the opportunity for reaching personal fulfillment and economic self-sufficiency; and

WHEREAS, to fail to provide that opportunity penalizes not only the individual child, but also the society as a whole; and

WHEREAS, Federal revenues for education have become increasingly more unpredictable; and

WHEREAS, current state revenue has been unpredictable and future state oil revenues are projected to decrease with the gradual decline of Prudhoe Bay production, making State general fund support of public education more difficult and uncertain; and

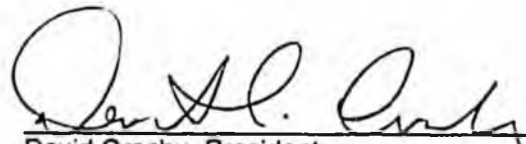
WHEREAS, dramatic swings in funding for education cause serious disruptions in the delivery of educational services to the great detriment of school age children in Juneau; and

WHEREAS, a fund which has been established from lapsed public school foundation and construction monies and money from the judicial decision on Dinkum Sands and North Slope royalty cases could provide critically important long-term, stable funding for public education in Alaska.

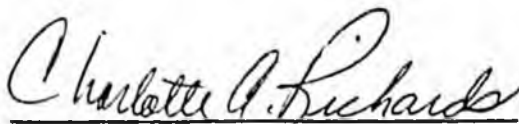
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

1. That the Board of Education of the City and Borough of Juneau supports and endorses HB189 and HB190 creating a "forward fund" for public education in the State of Alaska.
2. That this resolution shall be effective March 21, 1989.

Adopted this 21st day of March, 1989


David Crosby, President

Attest:


Charlotte Richards, Clerk



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W. 3RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

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

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435

March 27, 1989

To: Representative Johnny Ellis, Chair
Members, House HESS Committee

Re: House Bill No. 189: "An Act creating the forward funding for education account; providing for lapse of funds in the public school foundation account; and providing for an effective date."
House Bill No. 190: "An Act making a special appropriation to the forward funding for education account; and providing for an effective date."

NEA-Alaska supports and encourages your favorable consideration of HB 189 and HB 190.

The concept of forward funding as provided for in HB 189 is essential if the continuity in planning, programs, and services is to be restored in public education in Alaska.

School districts and staff must know on something far better than a year to year basis the level of state support for public education. Under current practices longer range planning cannot be effective when a school district is not aware of funding levels until 2 or 3 months before the commencement of another school year.

Essential student programs and services are constantly being started, stopped, or reduced and frequently many certificated and non-certificated staff do not even know whether or not they will have employment until early in the school year.

Forward funding will put an end to much of the current instability in many school districts and, in doing so, enhance the quality of our programs.

In addition to the appropriation from litigation settlements referenced in HB 190, we encourage that consideration be given to utilizing other revenue sources in establishing the forward funding account including but not limited to the permanent fund earnings reserve.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

POUCH Y - STATE CAPITOL
BUREAU, ALASKA 99511
907-465-3800

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

H. HESS

3-29-89

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W 3RD AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-0576

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3070

FAIRBANKS REGIONAL OFFICE

2118 CLIFTON STREET
FAIRBANKS, ALASKA 99701
(907) 456-8435

March 27, 1989

To: Representative Johnny Ellis, Chair
Members, House HESS Committee

Re: House Bill No. 189: "An Act creating the forward funding for education account; providing for lapse of funds in the public school foundation account; and providing for an effective date."
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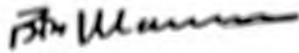
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In addition to the appropriation from litigation settlements referenced in HB 190, we encourage that consideration be given to utilizing other revenue sources in establishing the forward funding account including but not limited to the permanent fund earnings reserve.

Thank you for your consideration of our position.

Respectfully submitted,



Bob Manners
Executive Secretary



Judy Salo
President

cc: Representative Fran Ulmer

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

POUCH V - STATE CAPITAL
ANCHORAGE, ALASKA 99511
907-465-2800

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

41.41255

9-29-97

Original sponsors: Ulmer, Brown,
and MacLean

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 190 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations to the forward
7 funding for education account; making a special
8 appropriation to the budget reserve fund; and provid-
9 ing for an effective date."

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

11 * Section 1. That portion of the money received by the state on or
12 after the effective date of this Act from the settlement or final judicial
13 determination of the Dinkum Sands case (United States v. Alaska) and the
14 North Slope royalty case (State v. Amerada Hess, et al.) and not deposited
15 into the Alaska permanent fund under AS 37.13.010(a)(1) or (2) or into the
16 public school trust fund under AS 37.14.110, not to exceed the total of the
17 amounts (1) necessary to fully fund entitlements created under AS 14.17,
18 the public school foundation program, AS 14.11.100, the school construction
19 debt retirement program, and AS 14.09, the school district pupil transpor-
20 tation contract reimbursement program, for the fiscal year in which the
21 money is received, and (2) equal to the total appropriated for the tuition
22 students, boarding home grants, youth in detention, and schools for the
23 handicapped programs in the fiscal year in which the money is received, is
24 appropriated to the forward funding for education account (AS 14.07.065)
25 and designated for the second fiscal year following the fiscal year in
26 which the money is received.

27 * Sec. 2. If the amount appropriated to the forward funding for educa-
28 tion account (AS 14.07.065) under sec. 1 of this Act is less than the
29 maximum amount that could be appropriated under sec. 1 to the forward

1 funding for education account, then the difference is appropriated to the
2 forward funding for education account (AS 14.07.065) from that portion of
3 the money subsequently received by the state from the settlement or final
4 judicial determination of the Dinkum Sands case (United States v. Alaska)
5 and the North Slope royalty case (State v. Amerada Hess, et al.) and not
6 deposited into the Alaska permanent fund under AS 37.13.010(a)(1) or (2) or
7 into the public school trust fund under AS 37.14.110.

8 * Sec. 3. That portion of the money received by the state on or after
9 the effective date of this Act from the settlement or final judicial deter-
10 mination of the Dinkum Sands case (United States v. Alaska) and the North
11 Slope royalty case (State v. Amerada Hess, et al.) and not deposited into
12 the Alaska permanent fund under AS 37.13.010(a)(1) or (2) or into the
13 public school trust fund under AS 37.14.110 or appropriated to the forward
14 funding for education account (AS 14.07.065) under secs. 1 and 2 of this
15 Act, is appropriated to the budget reserve fund (AS 37.05.540).

16 * Sec. 4. This Act takes effect on the effective date of an Act enacted
17 by the Sixteenth Alaska State Legislature establishing the forward funding
18 for education account.
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HPB

1937

HOUSE COMMITTEE REPORT

(7)

Date Referred: April 12, 1989

FURTHER REFERRALS:

Date of Committee Action: 2/21/90

The HEALTH, EDUCATION, & SOCIAL SERVICES Committee considered: HB 193

HOUSE BILL NO. 193

[REAA SCHOOL BOARD MEMBERSHIP]

"An Act relating to vacancies on and reallocation of elective board seats in areas of the unorganized borough."

RECOMMENDATIONS:

- be replaced with CSHA 193 (HESS) the same title
- have attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- fiscal impact _____
- zero fiscal note _____
- zero with analysis _____

- fiscal note(s) _____
- zero fiscal note(s) 2/24/89 Gov's office
- zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not
Pass No Rec Amend

J. Ellis

 Cheri Davis

	Do Not Pass	No Rec	Amend

J. Ellis

 Chairman's Signature

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 193 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to vacancies on and reallocation of
elective board seats in areas of the unorganized
borough."
REPA and coastal service

7

8

9

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

10

* Section 1. AS 14.08.041(d) is amended to read:

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(d) Subject to (f) of this section, a regional school board member shall be elected at large by the qualified voters of the communities receiving educational services in the entire regional educational attendance area. However, each seat on the regional school board shall be designated by letter or number, and when the declaration of candidacy or other nomination papers of a candidate for the regional school board are filed those papers must indicate the seat that the candidate seeks. A newly elected board member takes office at the first regional school board meeting after certification of the election. If no candidate files for election to a seat on the regional school board, the seat is considered vacant at the time a newly elected member would have taken office.

23

* Sec. 2. AS 14.08.051(c) is amended to read:

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(c) If a regional educational attendance area has been divided into sections, the commissioner shall recast the boundaries of the sections within 90 days following the official reporting of the decennial federal census in accordance with (a) of this section. If the census is five years old or older and other reliable population data establishes that board members do not represent as nearly as

*acceptable
to dept.*

1 practicable equal numbers of people under the allocation of seats to a
2 multi-member section under (d) of this section, the commissioner may
3 reallocate the seats among the sections if reallocation will achieve
4 as nearly as practicable equal representation. Reallocation of seats
5 takes effect at the next regular board election after the realloca-
6 tion.

7 * Sec. 3. AS 46.40.140(e) is amended to read:

8 (e) The lieutenant governor shall provide for the election of
9 the members of coastal resource service area boards. The first elec-
10 tion of board members shall occur at the same time as the [NOT LESS
11 THAN 60 NOR MORE THAN 90 DAYS AFTER CERTIFICATION OF THE RESULTS OF
12 AN] organization election under AS 46.40.130(b) [IN WHICH A MAJORITY
13 OF VOTES CAST FAVORS ORGANIZATION OF THE COASTAL RESOURCE SERVICE
14 AREA].

15 * Sec. 4. AS 46.40.140(f) is amended to read:

16 (f) Except for the first election of members of coastal resource
17 service area boards, elections shall be held annually on the date of
18 election of members of regional educational attendance area boards
19 under AS 14.08.071(b). For an election under this subsection or under
20 (e) of this section, a newly elected board member takes office at the
21 first coastal resource service area board meeting after certification
22 of the election. If no candidate files for election to a seat on the
23 coastal resource service area board, the seat is considered vacant at
24 the time a newly elected member would have taken office.

25 * Sec. 5. AS 46.40.140(g) is amended to read:

26 (g) A vacancy on a coastal resource service area board shall be
27 filled by appointment as provided in AS 14.08.041(e) [AS 14.08.041(a)]
28 for vacancies in the membership of regional educational attendance
29 area boards.

A M E N D M E N T #1

OFFERED IN THE HOUSE

TO: CSHB 193 (C&RA)

Page 1, following line 22:

Insert a new bill section to read:

"* Sec. 2. AS 14.08 is amended by adding a new section to read:

Sec. 14.08.045. VACANCIES. (a) The regional school board shall declare a regional school board seat vacant when the person elected

(1) fails to qualify within 30 days of certification of the election;

(2) notifies the school board in writing of the person's refusal to take office;

(3) resigns and the resignation is accepted by the school board;

(4) is convicted of a felony or of an offense involving a violation of the oath of office while serving as a school board member; or

(5) no longer physically resides within the boundaries of the regional educational attendance area, or if the regional educational attendance area has been divided into sections, within the section from which the person was elected, and the school board by a two-thirds vote, declares the seat vacant.

(b) A vacancy on a regional school board shall be filled under AS 14.12.070."

Renumber the following bill sections accordingly.

Page 2, line 26, after "(g)":

Insert "A seat on a coastal resource service area board shall be declared vacant by the board if the criteria under AS 14.08.045(a) apply to the person elected."

Page 2, line 27:

Delete "AS 14.08.041(e)"

Insert "AS 14.12.070"

Page 2, after line 29:

Insert a new bill section to read:

"* Sec. 7. AS 14.08.041(e) is repealed."

Division of Elections
Attn: Linda Edgeworth
Fax: 465-3203

RE: HOUSE BILL NO. 193

DISTRICT POSITION

The Chugach School District supports the passage of HB193, an Act relating to vacancies on and reallocation of elective Board seats in the REAA attendance areas.

REASONS

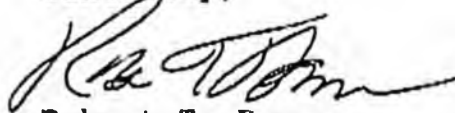
We believe that if a qualified candidate for a school Board seat does not file for election, a write-in candidate could be seated on the Board with a few votes and not have hardly any district support. This would be contrary to the process. Appointment by the existing Board would be more representative than a write-in with 3-4 votes.

Our District is characterized by our two sections. One being over-represented and the other under represented. HB193 would provide the mechanism to correct that problem with the Commissioner having the authority to allocate the seats based upon new data if the census is five years old or older.

SUMMARY

HB 193 is a good bill for education in the unorganized boroughs. The Chugach School District strongly supports its passage into law.

Sincerely,



Robert T. Brown
Superintendent

RTB/nam

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF ELECTIONS
P.O. BOX 4F
JUNEAU, ALASKA 99811-0105
PHONE (907) 465-4611

January 25, 1990

The Honorable Peter Goll
Alaska House of Representatives
P. O. Box V
Juneau, Alaska 99811

Dear Representative Goll:

Recently, a member of Senator Eliason's staff had contacted the Division of Elections regarding the situation last October in REAA 19, Southeast Island School District, in which a candidate defeated the incumbent and then decided not to take office after the election was certified. In trying to determine the appropriate method by which the seat should be filled, we discovered that there are no provisions guiding such circumstances anywhere in the statutes. The only provision to which we could refer was AS 14.12.050(a) relating to the term of school board members. It provides that the term of office for a school board member is three years and until a successor takes office. In REAA 19, no successor took office. Therefore, the incumbent who had been defeated in the election has remained in the seat.

Senator Eliason had requested that the Division research the issue and draft statutory language which could be considered for new legislation. We advised the Senator that House Bill 193 might be an appropriate vehicle for such an amendment. The bill's title is, "An Act relating to vacancies on and reallocation of elective board seats in areas of the unorganized borough." The bill was taken up during the final weeks of the legislative session last year in the House Health, Education and Social Services Committee, and, hopefully, will be brought up for final consideration in that committee in the near future.

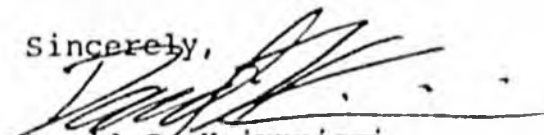
As the Senator requested, I have enclosed a copy our letter to him in which the issue and the findings on which we based our proposed amendment are discussed in more detail. I have also enclosed a copy of the amendment for your consideration. It is my understanding that he will be contacting you directly about the possibility of introducing this amendment in committee.

Hagner
Please
RECEIVED
we will likely
act on this
check
w/ HES
Is bill
moving
Have
what's
impact
of
amendment

The Honorable Peter Goll
January 25, 1990
Page 2

If you have any questions or if I or my staff can provide any additional information, please don't hesitate to call.

Sincerely,



David G. Koivuniemi
Director

cc: The Honorable Richard I. Eliason, Alaska State Senate

Enclosures

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF ELECTIONS
P.O. BOX AF
JUNEAU, ALASKA 99811-0105
PHONE (907) 465-4611

January 24, 1990
The Honorable Richard I. Eliason
Alaska State Senate
P. O. Box V
Juneau, Alaska 99811

Dear Senator Eliason:

We have received a call from Laura Flemming on your staff asking for information relative to the filling of an REAA school board seat when the elected person declines to take office. This circumstance came to our attention during the last regular school board election in REAA 19, Southeast Island School District. In that instance the candidate who was elected defeated the incumbent candidate. However, after the election was certified, we learned that the individual was an employee of the school district, and was not willing to resign her position. Under the law, school board members cannot also be employed by the school district, and therefore the candidate could not be sworn in.

Various questions were raised as to how the seat should be filled. Should the seat be declared vacant and filled by appointment? Should the second highest vote getter be certified the winner? Should a new election be held? In trying to resolve this issue, we completed a thorough review of Title 29 and Title 14. It became clear that none of the remedies discussed were viable options under the law. Frankly, no statutory remedy existed.

While AS 14.08.041(e) stipulates the manner in which vacancies are to be filled, nowhere in the statute does it state the conditions under which a seat becomes vacant in the first place. As a result, only one avenue was open to us in determining a solution. AS 14.08.041(b) indicates that members of the regional school board will be elected for the same term, and in the same manner and with the same qualifications as city or borough school board members under AS 14.12. Therefore, we had to rely on the provisions of AS 14.12.050(a) which states:

(a) The term of office of a member of a borough or city school board is three years and until a successor takes office...."

In the case of REAA 19, no successor "took" office. Therefore, the

The Honorable Richard I. Eliason
January 24, 1990
Page 2

incumbent, who had actually been defeated in the election, has remained in the seat.

The absence of a statutory scheme for declaring a seat vacant has not only caused some confusion in this instance, but also in REAA 22, Kashunamiut School District. We were called by a member of that school board recently to ask for guidance with regard to a situation in their region in which one of their board members appears to have moved out of the area. Further, it is the belief of the individual who called that the member has actually taken employment and moved his family to a different part of the State. The board has had no contact from this individual.

In view of these issues which are not currently addressed in statute, it seems appropriate that consideration be given to an amendment to Title 14 to set in law conditions under which a seat can be declared vacant by the school board. Fortunately, there is a vehicle, House Bill 193, which is currently awaiting a continuation of hearing in the House Health, Education and Social Services Committee. The title of that bill is "An Act relating to vacancies on and reallocation of elective board seats in areas of the unorganized borough."

As per your staff member's request, the Division of Elections has drafted language which might be considered as an amendment to that bill. A copy of the proposed language is attached. The draft is similar to language in AS 29.20.170 dealing with the declaration of vacancies in municipal elective offices. In that section we noted that the statute explicitly applies to elective offices except the office of mayor and school board members. We took the liberty to contact Tamara Cook, Director of the Division of Legal Services, who was responsible for the re-write of Title 29 which was enacted in 1986. Our purpose was to determine why school board offices were specifically excluded as was the mayor's seat. She indicated that her recollection was that the exemptions were included because vacancies in these offices were specifically covered under other sections. We found that to be true in the case of the mayoral seat, but not in the case of school board members. She could recall no other reason which would have prompted the exclusion and we have therefore concluded that the amendment we propose would be appropriate in correcting the apparent omission.

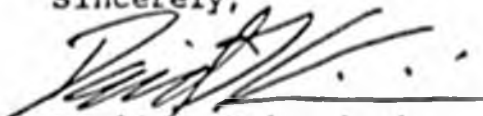
This amendment would also relate to Coastal Resource Service Area Boards. These boards are elected under a similar scheme as the REAA boards. The statutory provisions under Title 46 regarding the election of their members refers to Title 14 in directing how the elections will be administered.

The Honorable Richard I. Eliason
January 24, 1990
Page 3

I hope the information I am providing proves helpful in giving you an overview of the situation which occurred in your district during the last REAA election. As requested, I am sending a copy of this information to Representative Goll who may find it helpful as the House Health, Education and Social Services Committee, on which he is a member, continues its review of House Bill 193. For your review I have enclosed a copy of the bill as well as a brief analysis of its provisions.

Thank you for allowing us to provide input on this important issue. If I or my staff can be of further assistance, please don't hesitate to contact me.

Sincerely,



David G. Koivuniemi
Director

Enclosures

cc: The Honorable Peter Goll, Alaska House of Representatives



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 24, 1989

The Honorable Sam Cotten
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to elections in areas of the unorganized borough. The bill addresses problems identified by the division of elections (division) in administering elections in regional educational attendance areas (REAA's) and coastal resource service areas (CRSA's) in the unorganized borough.

Frequently, no candidate files for election to an REAA or CRSA seat. When this happens, numerous names are written in by the voters and must be tallied by the division. A person whose name is written in by only a few voters may be elected to fill a seat. Sections 1 and 4 of the bill amend AS 14.08.041(d) and AS 46.40.140(f), respectively, to provide that, if no candidate files for election to an REAA or CRSA seat, the seat is considered vacant at the time the new member would have taken office. Once a seat is vacant, current law provides that the remaining members of the board shall appoint a person to fill the vacancy until the next regular election, when a successor shall be elected to serve the balance of the term.

Recently, due to population shifts in an REAA, a multi-member section was overrepresented by board members. Reallocation of one of the seats of the multi-member section to another section would have resulted in more equal representation. Section 2 of the bill provides that, if census data is five or more years old and other reliable population data establishes that representation is unequal under the allocation of seats to multi-member districts, the commissioner of education may reallocate seats if reallocation will achieve equal representation. A reallocation under this provision will not affect the boundaries of the sections, which are required to be established with regard to community, cultural, and geographic considerations.

#42
3-27-69

Dear Representative Maclean:

We, as the State Review Board, have been watching the progress of H.B.193. We are in favor of the bill and would like to share a few observations with you.

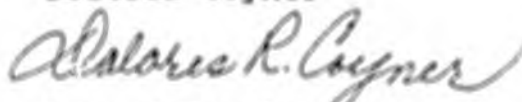
In the last Rural Education Attendance Area, (REAA)/Coastal Resource Service Area, (CRSA) election, we found ourselves filling out an election spreadsheet for races for which no one had filled. In one race, the write-ins were 90 different names and in the other race, there were 120 names. We went thru this exercise only after the precincts had done their jobs. We found the voters were very confused about the ballot and the process of filling the REAA/CRSA vacancies.

A major problem was that the candidates were nominated by sections but were elected at large. This meant that some voters knew no candidate name to write in, but felt they should put in something, so they wrote in the Village name to be represented. The winner usually got no more than a handful of votes. To say the people spoke, would not be an honest representation of the facts.

We would appreciate your serious consideration of this bill.

Thank You,

Dolores Coyner



Gwen McCormick



Terry Shattuck



Amelia Endorf

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 24, 1989

The Honorable Sam Cotten
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to elections in areas of the unorganized borough. The bill addresses problems identified by the division of elections (division) in administering elections in regional educational attendance areas (REAA's) and coastal resource service areas (CRSA's) in the unorganized borough.

Frequently, no candidate files for election to an REAA or CRSA seat. When this happens, numerous names are written in by the voters and must be tallied by the division. A person whose name is written in by only a few voters may be elected to fill a seat. Sections 1 and 4 of the bill amend AS 14.08.041(d) and AS 46.40.140(f), respectively, to provide that, if no candidate files for election to an REAA or CRSA seat, the seat is considered vacant at the time the new member would have taken office. Once a seat is vacant, current law provides that the remaining members of the board shall appoint a person to fill the vacancy until the next regular election, when a successor shall be elected to serve the balance of the term.

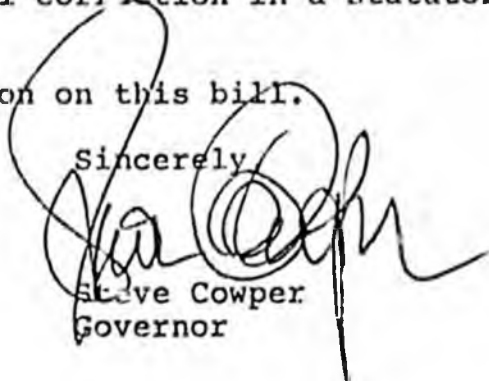
Recently, due to population shifts in an REAA, a multi-member section was overrepresented by board members. Reallocation of one of the seats of the multi-member section to another section would have resulted in more equal representation. Section 2 of the bill provides that, if census data is five or more years old and other reliable population data establishes that representation is unequal under the allocation of seats to multi-member districts, the commissioner of education may reallocate seats if reallocation will achieve equal representation. A reallocation under this provision will not affect the boundaries of the sections, which are required to be established with regard to community, cultural, and geographic considerations.

Under current law, two elections must be conducted before a CRSA is established and can function -- first, an election to determine whether the CRSA will be established (AS 46.40.130(b)), and second, an election to elect board members (AS 46.40.140(e)). In contrast to this cumbersome and time-consuming procedure, statutes concerning incorporation of municipalities provide for election of initial municipal officers at the same time an election is held to determine whether a municipality will be incorporated. This approach is more reasonable and economical. Section 3 of the bill amends AS 46.40.140(e) to provide that the election of initial members of a CRSA board occurs at the same time as the election on the issue of whether the CRSA should be organized.

Section 5 makes a technical correction in a statutory reference.

I urge your favorable action on this bill.

Sincerely,



Steve Cowper
Governor

#5

3-27-89

Dear Representative Maclean:

We, as the State Review Board, have been watching the progress of H.B.193. We are in favor of the bill and would like to share a few observations with you.

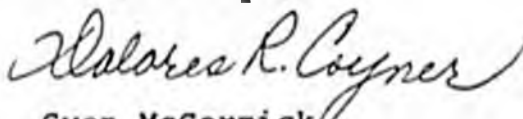
In the last Rural Education Attendance Area, (REAA)/Coastal Resource Service Area, (CRSA) election, we found ourselves filling out an election spreadsheet for races for which no one had filed. In one race, the write-ins were 90 different names and in the other race, there were 120 names. We went thru this exercise only after the precincts had done their jobs. We found the voters were very confused about the ballot and the process of filling the REAA/CRSA vacancies.

A major problem was that the candidates were nominated by sections but were elected at large. This meant that some voters knew no candidate name to write in, but felt they should put in something, so they wrote in the Village name to be represented. The winner usually got no more than a handful of votes. To say the people spoke, would not be an honest representation of the facts.

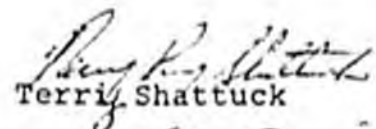
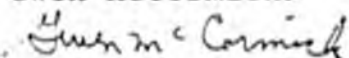
We would appreciate your serious consideration of this bill.

Thank You,

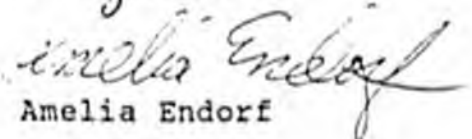
Dolores Coyner



Gwen McCormick



Terri Shattuck



Amelia Endorf

#6

Kashunamiut School District
Chevak, Alaska 99563

March 27, 1989

Linda Edgeworth, Information Officer
Divisions of Elections
Office of the Governor
Pouch AF
Juneau, Alaska 99811-9974

re: House Bill #. 193

Dear Ms. Edgeworth:

I have had the opportunity to review and consider House Bill No. 193. In my opinion the passage of this bill makes good since. For example, several times, I have seen situations where no one filled for a seat on a REAA board. When it came time to vote numerous people received several votes. Once I recall someone being seated on the school board with as few as twelve votes! In this particular election several hundred people had cast their votes. Obviously the "people" hadn't made a choice. There are numerous cases I could give you that would demonstrate my point.

Passage of House Bill No. 193 would help resolve some of the problems of REAA school board elections.

I strongly support passage of this legislation. Should you need any other help or support for this bill please feel free to contact me.

Sincerely,



Alex P. Tatum
Superintendent

HOUSE COMMITTEE REPORT

4/12

(5)

Date Referred: February 24, 1989

FURTHER REFERRALS: HESS

Date of Committee Action: 4/11/89

The COMMUNITY & REGIONAL AFFAIRS Committee considered: HB 193

HOUSE BILL NO. 193 [REAA SCHOOL BOARD MEMBERSHIP]
"An Act relating to vacancies on and reallocation of elective board seats in areas of the unorganized borough."

RECOMMENDS:

- replacing with CS HB 193 C-RA the same title
- the attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis

APPROVES PREVIOUS:

- fiscal note(s) published:
- 2 zero fiscal notes(s) published:
C-RA - 2-24-89, Div of Elections 2-24-89

SIGNING DO PASS:

Chris Davis DAVIS
[Signature] DEPT. TOH/H
Eileen P. MacLean MACLEAN

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)
Richard [Signature] NORAC
[Signature] FOSTER

Eileen P. MacLean
 Chairman's signature

SAMPLE BALLOT

STATE OF ALASKA

REAA SCHOOL BOARD ELECTION

TUESDAY, OCTOBER 6, 1987

INSTRUCTIONS TO VOTER:

1. Choose your candidate and with a pencil, place an "X" in the small box to the right of the candidate's name.
2. If you wish to vote for a person whose name is not shown on the ballot, print the candidate's name in the blank space provided. If the candidate has given you a sticker, place it in the space, then put an "X" in the small box to the right of the name.
3. After voting one side of the card, turn it over. If there are candidates' names on the other side, continue voting.
4. If you make a mistake, put your ballots into the secrecy sleeve and return it to the Election Board for another ballot.
5. After you have marked all of your choices, put your voted ballot(s) in the secrecy envelope before returning it to the Election Board.



TOP

OFFICIAL REAA #3 SAMPLE BALLOT

OCTOBER 6, 1987

THIS STUB TO BE REMOVED BY ELECTION BOARD

STATE OF ALASKA OFFICIAL BALLOT
LOWER YUKON SCHOOL DISTRICT
REAA #3
OCTOBER 6, 1987

SCHOOL BOARD

SEAT B

(3 year term)

(Candidate must reside in Alakanuk,
Emmonak, Kotlik, Sheldon Point)

Vote For No More Than One (1)

SEAT F

(3 year term)

(Candidate must reside in Cape Romanzof,
Hooper Bay, Palmult, Scammon Bay)

Vote For No More Than One (1)

BUNYAN, Louis, Sr.

HUNTER, Homer T. D.

SEAT I

(3 year term)

(Candidate must reside in Fortuna Ledge,
Russian Mission)

Vote For No More Than One (1)

COOPER, Dave

HUNTER, Leslie R.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Representation and Elections
In the Unorganized Borough
Sponsor: Rules
Requestor: Governor

Agency Affected: Office of the Governor
BRU: Elections
Components: I - Elections

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
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						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Linda Edgeworth
Division: Division of Elections
Approved by Commissioner: *Linda Edgeworth*
Agency: Division of Elections

Phone: 465-4611
Date: 1-12-89
Date: 1/13/89

Distribution (by preparer):

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

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: HB 193
PUBLISH DATE: HOUSE 2/24/89

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act..representation & elections in..unorganized borough."
Sponsor: Rules Committee
Requestor: Governor

Agency Affected: Community & Regional Affairs
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director
Division: Municipal & Regional Assistance

Phone: 465-4750

Date: 2/6/89

Approved by Commissioner: [Signature] DC, CRA
Agency: Community & Regional Affairs

Date: 6 Feb 89

Distribution (by preparer):

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

FISCAL NOTE

REQUEST:

Revision Date: _____
Title : Vacancies on and Reallocation of
Elective Board Seats
Sponsor : Rules
Requestor : House C&RA

Agency Affected : Education
BRU : K-12 Support
Components : Foundation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by : Mary Hakala Phone : 465-2800
Division : Commissioner's Office Date : 3/28/89
Approved by Commissioner : William G. Demmert Date : 3/28/89
Agency : Education

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

STATE OF ALASKA THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

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

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

H. HESS	4-24-89
H. HESS	5-3-89
H. HESS	2-16-89
H. HESS	2-21-89

HB

197

Alaska State Legislature

REPRESENTATIVE BILL HUDSON

P.O. BOX V
Juneau, Alaska
99811
(907)465-3744 or 4991

COMMITTEES

Transportation
Resources
Foreign Trade

FINANCE SUBCOMMITTEES

DOT/PT
C & TA

April 4, 1989

Honorable Johnny Ellis, Chair
House Health, Education, and Social Services
Committee
Room 104, Capitol
P.O. Box V
Juneau, Alaska 99811

Re: Request for hearing of HB 197

Dear Rep. Ellis,

I would very much appreciate it if you would schedule a hearing next week for HB 197, "An Act extending the termination date of the Special Education Service Agency; and providing for an effective date."

The Special Education Service Agency (SESA) serves 219 disabled children -- most of whom live in rural communities. If the legislature does not act this session to extend SESA, the service shall end on June 30, 1989.


HB 197 extends SESA until June 30, 1992.

The Department of Education has continued funding for the SESA in the FY 90 budget under the Schools for the Handicapped Component (\$1.42 million).

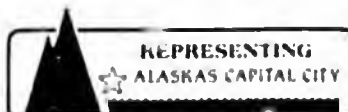
I respectfully request a prompt hearing of the bill so that the program does not expire this year.

For your reference, I have attached a copy of SESA's biannual report.

Respectfully,



Bill Hudson



1 IN THE HOUSE

BY HUDSON AND C. DAVIS

2

HOUSE BILL NO. 197

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act extending the termination date of the Special
7 Education Service Agency; and providing for an effective
8 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, 1992 [1989];

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

**STATE CONTRACT
FOR
LOW INCIDENCE HANDICAPPED OUTREACH
SERVICES**

BI-ANNUAL REPORT

**FOR THE PERIOD
JULY 1 - December 31, 1988**

**SPECIAL EDUCATION SERVICE AGENCY
2211-B ARCA DRIVE
ANCHORAGE, ALASKA 99508**

TABLE OF CONTENTS

Section I	Page
Statistical Data Summary	
Student Enrollment.....	1
Service.....	2
Technical Assistance.....	5
Time.....	6
Cost Analysis.....	8
Section Summary	9
 Section II	
District Service Summaries.....	11
 Appendices	
Appendix A	
Appendix B	
Appendix C	

INTRODUCTION

The Special Education Service Agency (SESA) is a public organization created to "...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); encourage cooperation between districts and education agencies in making special educational programs and services available to these children and 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."

The agency as authorized by law (AS 14.30.630) shall provide special education services including:

- (A) itinerant outreach services to deaf-blind, mentally retarded, deaf and hearing impaired, blind and visually impaired, orthopedically handicapped/other health-impaired, seriously emotionally disturbed, and multihandicapped students;
- (B) special education instructional support and training of local school district special education personnel; and,
- (C) other services appropriate to special education needs.

The Special Education Service Agency has a number of grants and contracts which provide services on a statewide basis. They are:

DOE State Contract for Low Incidence Handicapped Outreach Services
Alaska Services to Deaf/Blind
Blind/Visually Impaired - Infant Learning Program
Model Demonstration Training Project
Alaska Consortium for Transition Services

A brief description of each grant and contract can be found in Appendix A and a listing of all personnel employed by SESA, in Appendix B.

The purpose of this report is to provide an overview of the activities of the DOE State Contract Services for the first two quarters of FY89 (July 1 through December 31, 1988). It does not contain information on the services of the other grants and contracts. Separate reports are prepared for the agency for each of the other grants and contracts. These documents may be obtained through a request to SESA.