

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

7852

HOUSE JUDICIARY

117

Revision Date: _____

BILL NO. CSHB81 (STA)

ANALYSIS (cont.):

FY 98	1357 x 12 months x \$12.50 =	\$ 203.6
	701 x 12 months x \$125.00 =	<u>\$1,051.5</u>
	Total	\$1,255.1
FY 99	1287 x 12 months x \$12.50 =	\$ 193.1
	894 x 12 months x \$125.00 =	<u>\$1,341.0</u>
	Total	\$1,534.1

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. CSHB 81 (STA)

Revision Date: _____

Title: An act relating to the Longevity Bonus

Sponsor: House Rules Committee

Requestor: State Affairs

Department Affected: Administration

BRU: Pioneers' Benefits

Component: Longevity Bonus

Administration

COMPONENT SERIAL NO. 27

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

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

Estimate of current year (FY93) impact: 0

ANALYSIS:

Prepared by: Dennis L. DeWitt
Division: Director

Phone: 465-4400
Date: _____

Approved by Commissioner: Nancy Bear Usura
Agency: Administration

Date: 3/11/93

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FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. CSHB 81 (STA)

Revision Date: _____
Title: An act relating to the Longevity Bonus
Sponsor: House Rule Committee
Requestor: State Affairs

Department Affected: Administration
BRU: Pioneers' Benefits
Component: Longevity Bonus
Grants _____
COMPONENT SERIAL NO. 26

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	(8,500.0)*	(16,200.0)*	(22,200.0)*	(27,800.0)*	(33,500.0)*	(39,200.0)*
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(8,500.0)	(16,200.0)	(22,200.0)	(27,800.0)	(33,500.0)	(39,200.0)

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	(8,500.0)	(16,200.0)	(22,200.0)	(27,800.0)	(33,500.0)	(39,200.0)
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(8,500.0)	(16,200.0)	(22,200.0)	(27,800.0)	(33,500.0)	(39,200.0)

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

Estimate of current year (FY93) impact: 0

ANALYSIS: * Cost savings reflect the difference between current program costs and new program cost. See attached table for details of the calculations.

Prepared by: Dennis L. DeWitt
Division: Director

Phone: 465-4400
Date: _____

Approved by Commissioner: Nancy Bear Usura
Agency: Administration

Date: 3/11/93

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Longevity Bonus Fiscal Note

CSHB 81 (STA)

FY	Current Program		Proposed Phase-Out		Difference	
	Number of Participants	Annual Cost	Number of Participants	Annual Cost	Number of Participants	Annual Savings to the State
1994	24,059	69.6	23,482	61.1	(577)	(8.5)
1995	25,864	74.8	22,512	58.6	(3,352)	(16.2)
1996	27,021	78.2	21,521	56.0	(5,500)	(22.2)
1997	28,081	81.2	20,527	53.4	(7,554)	(27.8)
1998	29,188	84.4	19,551	50.9	(9,637)	(33.5)
1999	30,266	87.5	18,544	48.3	(11,722)	(39.2)

Cost in Millions of Dollars

Explanation: 1. For purposes of consistency, we have used Legislative Research figures for the 'Number of Participants' and 'Annual Cost' for the Current Program and the Proposed Phase-Out.

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. HB 81

Revision Date: 2/8/93
Title: An act relating to the Longevity bonus

Department Affected: Administration
BRU: Pioneers' Benefits

Sponsor: House Rules Committee
Requestor: State Affairs

Component: Longevity Bonus
Grants
COMPONENT SERIAL NO. 26

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	(500.0)*	(4,000.0)*	(7,100.0)*	(11,300.0)*	(17,500.0)*	(23,600.0)*
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(500.0)	(4,000.0)	(7,100.0)	(11,300.0)	(17,500.0)	(23,600.0)

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	(500.0)	(4,000.0)	(7,100.0)	(11,300.0)	(17,500.0)	(23,600.0)
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(500.0)	(4,000.0)	(7,100.0)	(11,300.0)	(17,500.0)	(23,600.0)

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

Estimate of current year (FY93) impact: 0

ANALYSIS: * Cost savings reflect the difference between current program costs and new program cost. Budget requests will continue to go up through FY96 due to growth in numbers of participants. By FY97 budget requests begin to go down. See attached table for details of the calculations.

Prepared by: Dennis L. DeWitt, Director
Division: Pioneers' Benefits

Phone: 465-4400
Date: 2/5/93

Approved by Commissioner: Nancy Bear Usara
Agency: Administration

Date: 2/8/93

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Longevity Bonus Fiscal Note

FY	Current Program		Proposed Phase-Out		Difference	
	Number of Participants	Annual Cost	Number of Participants	Annual Cost	Number of Participants	Annual Savings to the State
1994	24,059	69.6	24,059	69.1	0	(0.5)
1995	25,864	74.8	25,864	70.8	0	(4.0)
1996	27,021	78.2	27,021	71.1	0	(7.1)
1997	28,081	81.2	26,581	69.9	(1,500)	(11.3)
1998	29,188	84.4	25,525	66.9	(3,663)	(17.5)
1999	30,266	87.5	24,444	63.9	(5,822)	(23.6)

Cost in Millions of Dollars

Explanation: 1. For purposes of consistency, we have used Legislative Research figures for the 'Number of Participants' and 'Annual Cost' for the Current Program and the Proposed Phase-Out.

Note : There is an additional fiscal note associated with this proposal for the administration component, for \$11,625 for computer modifications.

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

No. 2
 Bill Version: HB 81
 (H) Publish Date: 1/22/93

Revision Date: _____
 Title: An act relating to the Longevity Bonus Program

 Sponsor: Rules Committee
 Requestor: Governor

Department Affected: Administration
 BRU: Pioneers' Benefits
 Component: Longevity Bonus

COMPONENT SERIAL NO. 27

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	11.6	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	11.6	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

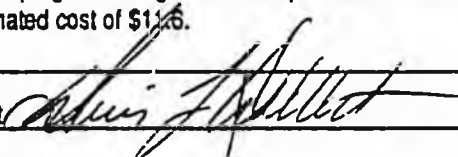
1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	11.6	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	11.6	0	0	0	0	0

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

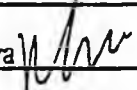
Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

The proposed Longevity Bonus program changes would require modifications to both mainframe and microcomputer software and revised interface programs at an estimated cost of \$11.6.

Prepared by: Dennis L. DeWitt 
 Division: Pioneers' Benefits

Phone: 465-4400
 Date: 1/15/93

Approved by Commissioner: Nancy Bear Usura 
 Agency: Administration

Date: 1/15/93

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FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

No. 1
Bill Version: HB 81
(H) Publish Date: 1/22/93

Revision Date: _____
Title: An act relating to the Longevity Bonus Program
Sponsor: Rules Committee
Requestor: Governor

Department Affected: Administration
BRU: Pioneers' Benefits
Component: Longevity Bonus
Grants
COMPONENT SERIAL NO. 26

Expenditures/Revenues:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	(413.9)*	(2,174.2)*	(6,138.7)*	(13,025.0)*	(20,017.0)*	(27,282.5)*
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	(413.9)	(2,174.2)	(6,138.7)	(13,025.0)	(20,017.0)	(27,282.5)

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	(413.9)	(2,174.2)	(6,138.7)	(13,025.0)	(20,017.0)	(27,282.5)
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	(413.9)	(2,174.2)	(6,138.7)	(13,025.0)	(20,017.0)	(27,282.5)

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

Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)* Cost savings reflect the difference between current program costs and new program costs. Budget requests will continue to go up through FY96 due to growth in numbers of participants. By FY97 budget requests begin to go down. See attached tables for details of the calculations.

Prepared by: Dennis L. DeWitt Director *[Signature]* Phone: 465-4400
Division: Pioneers' Benefits Date: 01/12/93

Approved by Commissioner: Nancy Bear Usura *[Signature]*
Agency: Administration Date: 1/15/93

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STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

March 4, 1993

The Honorable Brian Porter
Chairman
House Judiciary Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Representative Porter:

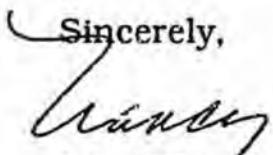
This is to request your consideration in scheduling HB 81 before the House Judiciary Committee pending referral. I am hopeful that the bill will be reported out of State Affairs on March 9.

This bill phases out the State's Longevity Bonus Program over several years. The ever-growing number of eligible seniors in Alaska, coupled with projected revenue declines, are making the bonus program unaffordable over the long term. The bill proposes a phased elimination of the program because many Alaskans who are receiving the bonus now or who will be eligible for it in the near future, have counted on receiving it in their retirement years.

In view of the rapid growth in this program, I believe that remedial action must be taken this session in order to protect current recipients and to provide a reasonable transition period. We are, therefore, anxious to secure passage of the provisions of HB 81 this session.

Thank you.

Sincerely,


Nancy Bear Usera
Commissioner

NBU/nl
cc: Kris Lethin
Legislative Liaison

MEMORANDUM

State of Alaska

Department of Law

TO Nancy Bear Usera
Commissioner
Department of Administration

DATE March 5, 1993

FILE NO 663-93-0335

TEL. NO. 465-3600

SUBJECT Constitutionality of
"grandfathering" in
current longevity bonus
recipients and those
who will soon turn 65

FROM John B. Gaguine ^{RG}
Assistant Attorney General
Governmental Affairs - Juneau

You have asked for an opinion as to the constitutionality of the "grandfather" provisions of HB 81 and SB 58. These identical bills, both introduced by the respective rules committee on behalf of the governor, eliminate the longevity bonus for people who turn 65 on or after January 1, 1997. However, they contain "grandfather" provisions that allow persons turning 65 by the end of this year to keep receiving \$250 a month for the rest of their lives; persons turning 65 in 1994 to keep receiving \$200 a month for the rest of their lives; persons turning 65 in 1995 to keep receiving \$150 a month for the rest of their lives; and persons turning 65 in 1996 to keep receiving \$100 a month for the rest of their lives.

The question that these bills raise is whether the "grandfather" provisions violate the equal protection clause of the Alaska constitution, article I, section 1.¹ While we cannot give you a certain answer to this question, we believe strongly that a court would not overturn the "grandfather" provisions if either bill is entitled into law and the provisions were challenged.

Equal protection analysis in Alaska uses a "sliding scale" approach. When a legislative classification impairs an individual's interest, the court first looks at the weight of the that interest. The court then examines the legitimacy of the legislative purpose in enacting the classification. Finally, if the court finds that the interest is legitimate, it examines the "closeness of the fit" between the classification and the purpose. If the individual's interest is not especially weighty, a less-than-perfect fit will be tolerated. Rose v. Commercial Fisheries Entry Commission, 647 P.2d 154, 158-60 (Alaska 1982).

¹ If the provisions pass constitutional muster under the Alaska constitution, they will also pass muster under the federal equal protection clause, part of the Fourteenth Amendment, because the federal clause has been construed as more deferential to legislative enactments than the state clause. Rose v. Commercial Fisheries Entry Commission, 647 P.2d 154, 158 (Alaska 1982).

Nancy Bear Usera
Commissioner
Our File: 663-93-0335

March 5, 1993
Page 2

The Alaska Supreme Court has held that an individual's interest in receiving government benefits is at the bottom of the sliding scale. State v. Anthony, 810 P.2d 155 (Alaska 1991) (permanent fund dividend); Sonneman v. Knight, 790 P.2d 702 (Alaska 1990) (unemployment compensation benefits). The Governor's introduction letter for both bills explains the purpose of the "grandfather" provisions: to protect current recipients, and those reaching age 65 in the next four years, because many of them have counted on the bonus in planning for retirement, and an abrupt termination of the program would cause hardship. Acting to prevent such hardship is obviously a legitimate legislative purpose. Finally, there is a substantial relationship between the purpose of the "grandfather" provisions and those provisions: by "grandfathering" in current recipients and those soon to turn 65, hardship is prevented. The fit is not perfect: there are obviously some current wealthy recipients who would suffer no hardship if their bonus was terminated, and some persons in their fifties who have made retirement plans relying on the bonus. But, as noted, when the individual's interest is at the bottom of the sliding scale, the fit does not have to be perfect. There is here a sufficiently substantial relationship that we are confident a court would not invalidate the "grandfather" provisions.

Our research has not disclosed any Alaska cases concerning the constitutionality of "grandfather" provisions. However, other jurisdictions have upheld such provisions, when there was a reason for them. In City of New Orleans v. Dukes, 427 U.S. 297 (1976), the U.S. Supreme Court upheld a New Orleans ordinance banning pushcart food sales in the French Quarter but allowing pushcart vendors who had operated in the Quarter for eight years to continue operating. Even though only two vendors qualified under this "grandfather" provision, the Court upheld the ordinance, finding it to be a permissible economic regulation "aimed at enhancing the vital role of the French Quarter's tourist-oriented charm in the economy of New Orleans." Id. at 303. Dukes has been widely followed by state and federal courts.

For the above reasons we believe that if HB 81 or SB 58 were enacted into law, and a court were presented with a claim that the "grandfather" provisions of the enactment violate the equal protection clause of the Alaska constitution, the court would reject the challenge and uphold the "grandfather" provision.

If we can be of further assistance, please let us know.

cc: Roberley Waldron
Eileen Plate

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

January 26, 1993

The Honorable Al Vezey
Alaska State Representative
State Capitol
Juneau, AK 99811-1182

JAN 28 1993

Dear Representative Vezey:

Re: Governor's Longevity Bonus Phase
Out Bill SB 58 and HB 81

As you know, this administration has submitted a proposal (SB 58/HB 81) to phase out the Longevity Bonus program. We would like to share with you the reasons for the approach we took in crafting our plan.

It is evident from the Economic Summit and public comments that there is a movement to reduce or do away with some non-needs based programs. The Longevity Bonus program falls into that category and is, therefore, extremely vulnerable. Financial pressure to reduce the cost of the program is building greater every year. We are concerned that the State's ability to grandfather in current recipients is threatened, the more expensive the program becomes. In view of these factors, we believe a solution must be reached this year to protect those currently in the program and to provide for a reasonable phase out period.

The Governor's proposal is a single issue and simple. It pays \$250 per month to all current recipients for life, and transitions in new participants at a reduced amount over a three-year period.

We recognize that since the advisory vote in 1986, there has been significant interest in an "annuity plan" to replace the Longevity Bonus. Several versions of an annuity proposal have been developed. However, many fear that too much time has elapsed since the original annuity proposal to be able to accommodate such a long-term approach. The State has already spent \$88 million more than it would have if the phase out had started in 1986.

January 26, 1993

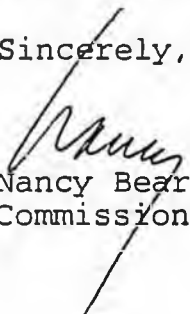
Two other issues regarding the annuity plan concern us. First, investment professionals at the Department of Revenue estimate that an unrealistically high level of participation by Permanent Fund Dividend (PFD) recipients will be necessary to maintain a financially viable program. Second, we are concerned that those most in need of supplementing their senior income will not be able to participate. Many Alaskans use their PFD for living priorities and would be unlikely to set aside their dividends for investment purposes. Accordingly, the plan would serve more as a government subsidized investment program for the more affluent.

We strongly believe it is not in the State's best interest to create a new long-term, open-ended program that is uncertain, costly, and duplicates programs already available through the private sector. We urge you to consider the Longevity Bonus phase out and the annuity option as separate issues.

Enclosed are some summaries which provide more information. If you have any questions or need additional information, please let me know.

Thank you for your consideration of the Governor's alternatives.

Sincerely,



Nancy Bear Usera
Commissioner

NBU/pal
9/2/02611.sf&pf
Enclosures

cc: Kris Lethin
Legislative Liaison
Office of the Governor

Roberley Waldron
Deputy Commissioner
Department of Administration

Division of Pioneers' Benefits
Department of Administration

**GOVERNOR'S PROPOSAL
LONGEVITY BONUS PHASE OUT
TALKING POINTS**

Phase out program

- ~ Grandfathering all current recipients
- ~ End new enrollment with those who turn 65 before January 1, 1997
- ~ Reduce payment for new eligibles over next three years (94 -- \$200; 95 -- \$150; 96 -- \$100)

Origin of program

- ~ Established in 1972 to pay \$100/month to those over age 65 who lived in Alaska prior to statehood (January 3, 1959)
- ~ Intended to provide for Alaskans who helped build our state but didn't have retirement income to stay in Alaska

Program changes

- ~ Vest case (1984) eliminated original residency requirements
- ~ Changes focus of program and made it open ended
- ~ Monthly bonus increased from \$100 to \$250

Program growth and costs

- | | | |
|--------|-------------------|----------------------------|
| ~ 1973 | 4,753 recipients | \$346,100 annual cost |
| ~ 1983 | 9,731 recipients | \$27.5 million annual cost |
| ~ 1986 | 15,763 recipients | \$44 million annual cost |
| ~ 1993 | 23,000 recipients | \$66 million annual cost |
| ~ 2000 | 31,000 recipients | \$93 million annual cost |
- ~ We've spent \$88 million more than we would if the program had been phased out in 1986.
 - ~ Each year phase out is delayed, the total (aggregate through end) cost of the program increases over \$100 million.

Changes for today's seniors

- ~ Alaska's life style and cost of living are now comparable to other states
- ~ More traditional employment opportunities have employer-based pensions
- ~ Social Security benefits have increased
- ~ Medical assistance programs are now available
- ~ ERISA protection for pensions is now provided

**ALASKA LONGEVITY BONUS
-PHASE OUT
Questions and Answers**

1. *Whom was the Longevity Bonus intended to serve?*

In 1972 the Legislature established the Longevity Bonus Program to serve seniors who were 25 year residents and lived in Alaska prior to statehood.

2. *What was the purpose of the Longevity Bonus Program?*

"The sole purpose of this chapter is to offer..... an incentive to continue uninterrupted residency in the state." Chapter 205 SLA 1972

3. *What changes have occurred since the creation of the Longevity Bonus Program in 1972 that reduce the need for the program?*

The need for future seniors to rely on the Longevity Bonus has been mitigated by a number of programs/protections that were not available when the Longevity Bonus was created.

- ~ Alaska's life style and cost of living are now comparable to other states**
- ~ More traditional employment opportunities have employer-based pensions**
- ~ Social Security benefits have increased**
- ~ Medical assistance programs are now available**
- ~ ERISA protection for pensions is now provided**
- ~ The Permanent Fund Dividend program was initiated**
- ~ Senior citizen tax relief is available**
- ~ Free and/or subsidized private and governmental services are available for all senior citizens**
- ~ OAC grant programs which fund a variety of community-based senior services have been initiated**

In addition, elimination of the 25 year residency and requirement to be in Alaska before January 3, 1959, (Statehood) has drastically enlarged the group the program was designed to served.

4. *Why phase out the Longevity Bonus program?*

The state budget cannot sustain the projected growth of this program. Current recipients who are dependent on the Longevity Bonus are in jeopardy of eventually losing the benefit if growth is not curtailed. Projections indicate the program will exceed \$100,000,000 in the year 2002.

5. *Why end eligibility with those who are now age 62?*

This provides those with reasonable expectations of receiving the bonus some financial support from the Longevity Bonus. It provides adequate notice to others who have time for planning that the Longevity Bonus will no longer be available.

GOVERNOR'S PROPOSAL LONGEVITY BONUS PHASE OUT

The original Longevity Bonus legislation stated, "The sole purpose of this chapter is to offer and provide ... an incentive to continue uninterrupted residency in the state." (Ch. 205, SLA 1972) We propose to phase out the Longevity Bonus Program because:

- ~ Other incentives are now offered that enhance the living conditions of seniors
 - Alaska's life style and cost of living are now comparable to other states
 - More traditional employment opportunities have employer based pensions
 - Social Security benefits have increased
 - Medical assistance programs are now available
 - ERISA protection for pensions is now available
 - The Permanent Fund Dividend program was initiated
 - Senior citizen tax relief is available
 - Free and/or subsidized private and governmental services are available for all senior citizens
 - OAC grant programs which fund a variety of community based services have been initiated
- ~ 25 year residency requirement was struck down, negating the original intent of the program
- ~ It is serving all those who were at least 45 years old when it was passed
- ~ Bonus amount has increased from \$100 to \$250 and will need further adjustment to keep pace with inflation
- ~ Combination of the increased Bonus and more recipients due to shorter residency has made the program too costly
- ~ Limited state resources should be focused on those less able to help themselves
- ~ Alaskans generally agree it's time to phase out the current program

Key Provisions of Proposal

Terms	3-year phase out \$200, \$150, \$100 Grandfather all current recipients
Cost	Declines rapidly after 1996 Set formula allows for accurate budgeting
Administration	No new administrative cost Program ends by 2040
Investment Options for Permanent Fund Dividend (PFD)	Self-directed through direct deposit instructions on PFD application
Effect on Alaska's Seniors	Proposal easily understood Current recipients continue bonus at \$250 Provides for a reasonable transition

**GOVERNOR'S PROPOSAL
LONGEVITY BONUS PROGRAM
PHASE OUT
SUMMARY OF INTENT**

The Alaska Longevity Bonus Program was established in 1972 to pay \$100 per month as a "bonus" to those over age 65 who had lived in Alaska for 25 years and were here at the time of statehood. This was a finite, self liquidating group. The purpose of the program was to "offer and provide.... an incentive to continue interrupted residency in the state." (Ch. 205, SLA 1972) Were the original criteria still in place, those eligible to enroll in the program in 1996 would have been 28 years old at the time of statehood.

At the end of 1973 the program had 4,753 recipients and an annual cost of \$346,100. The program grew at a steady rate up through 1983 when there were 9,731 recipients and an annual budget of \$27,586,750. The \$100 monthly bonus was increased in 1976, 1978, 1981, and 1982 to its current level of \$250 per month. Current projections suggest the annual cost of the ALB will exceed \$90 million in the year 2000 and will pass the \$100 million mark in 2002.

In 1984, the Supreme Court found the residency rules unconstitutional in the Vest case. By the end of 1986 the Longevity Bonus Program had 15,763 recipients with an annual budget of \$44,105,500. Compared to 1983, that represented a 62% increase in recipients and a 60% increase in budget. More important, the Vest case changed the group being served from a finite, self liquidating group (65 years old, 25 years in state, here at time of statehood) to a continually growing group (anyone age 65 with one year residency). Beyond the change in the size of the group, the basic purpose of the Longevity Bonus Program changed. It was no longer a program to provide an incentive to long term Alaskans who helped build our state prior to statehood.

During the years since the creation of the Longevity Bonus, there have been several changes that have improved the economic condition of Alaskan seniors. The federal government passed the Employee Retirement Income Security Act (ERISA) in 1976, Individual Retirement Accounts (IRAs) became widely available, Senior Citizen Property Tax Relief was enacted, property values increased, The Permanent Fund Dividend was established, State income taxes were repealed, and Social Security incomes steadily increased. As a group, those reaching age 65 today, have had the advantage of the economic growth of the past 20 years and are more economically stable than any previous group of seniors.

This proposal protects those who planned their retirement around the Longevity Bonus Program. They will be able to depend on it for the rest of the time they remain in Alaska. The three year transition period before new enrollment is ended allows those close to retirement to receive the Longevity Bonus. It gives future retirees time to make other plans for retirement income. This proposal does not provide for creating a government operated annuity plan. For those who wish to invest their Permanent Fund Dividend to provide for future retirement income, today they can do so by directing the Permanent Fund Dividend Division to send the PFD to a private annuity plan or other investment of their choice. This can be accomplished through direct deposit instructions on the PFD application. This preserves the investment concept without creating a new bureaucracy to implement an insurance type program.

This proposal returns the Longevity Bonus Program to its original goal – assisting a finite group who may not have remained in Alaska in retirement without this assistance.

Longevity Bonus Fiscal Note

Analysis of New Program Costs

FY		Cost Increase	Net Increase From Year to Year	Average Monthly ALB Warrants	ALB Grants	Projected Cost of Proposed Changes	Savings to the State
1989	Actual			17,824	53,472,250		
1990	Actual	6.92%	1,234	19,058	57,172,700		
1991	Actual	5.31%	1,012	20,070	60,209,600		
1992	Actual	4.76%	955	21,025	63,073,750		
1993	Projection	5.03%	1,058	22,083	66,249,000	66,249,000	0
1994	Projection	5.03%	1,112	23,195	69,584,250	69,170,302	413,948
1995	Projection	5.03%	1,167	24,362	73,084,500	70,910,273	2,174,227
1996	Projection	5.03%	1,225	25,587	76,760,500	70,621,770	6,138,730
1997	Projection	5.03%	1,287	26,874	80,621,500	67,596,525	13,024,975
1998	Projection	5.03%	1,352	28,226	84,677,000	64,659,990	20,017,010
1999	Projection	5.03%	1,419	29,645	88,936,000	61,653,512	27,282,488

Note - There is an additional fiscal note associated with this proposal for the administration component, for \$11,625 for computer modifications.

2-13-93
 HB-81
 Comm. USERA

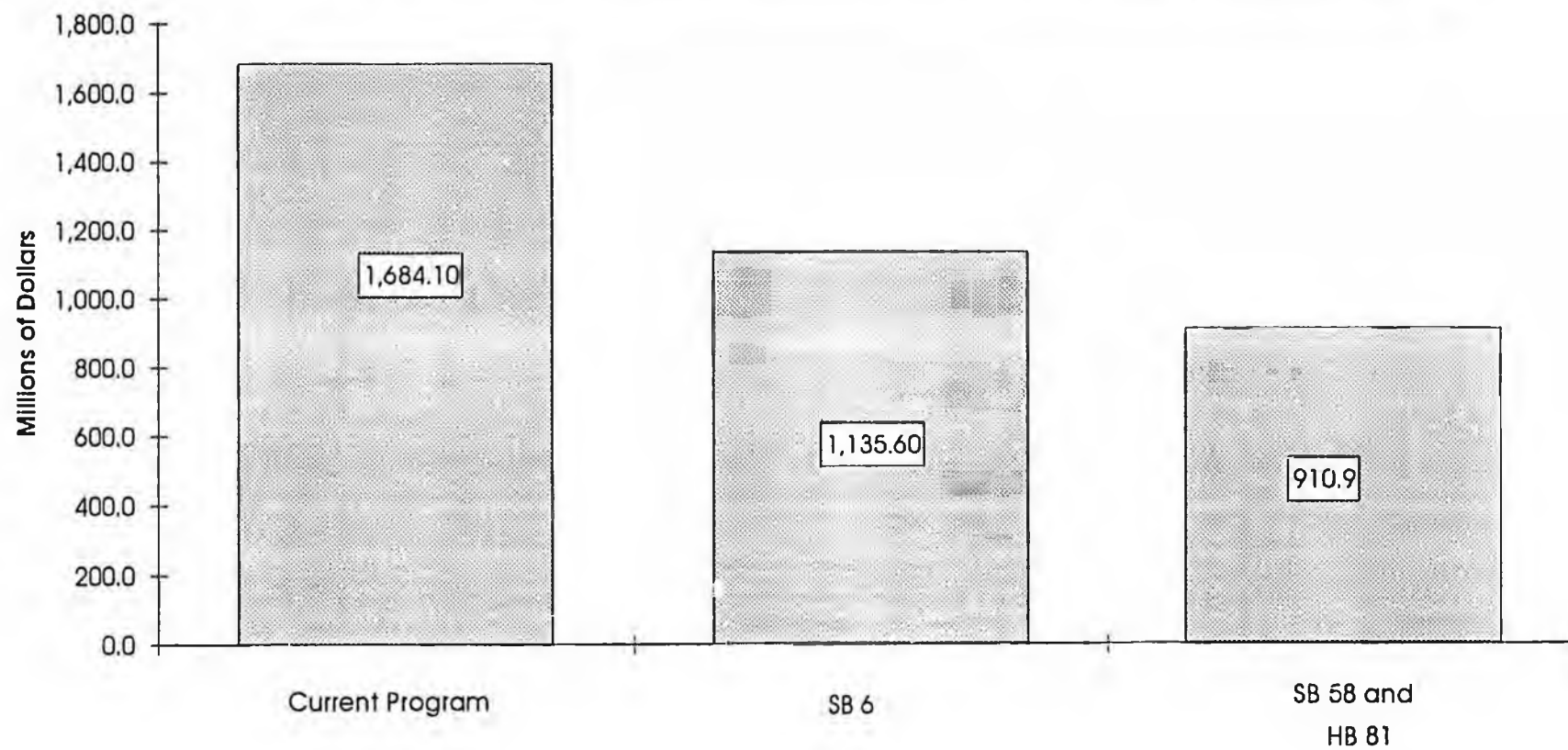
Longevity Bonus Program Alternative Funding Proposals

Fiscal Year	Projected Cost			Projected Number of Participants		
	Current Program	Senate Bill 6	Senate Bill 58 and House Bill 81	Current Program	Senate Bill 6	Senate Bill 58 and House Bill 81
1994	69.6	69.6	69.1	24,059	24,059	24,059
1995	74.8	74.7	70.8	25,864	25,864	25,864
1996	78.2	77.5	71.1	27,021	27,021	27,021
1997	81.2	79.5	69.9	28,081	28,081	26,581
1998	84.4	81.1	66.9	29,188	29,188	25,525
1999	87.5	82.0	63.9	30,266	30,266	24,444
2000	90.8	82.3	60.9	31,408	31,408	23,385
2001	93.9	81.4	57.7	32,456	32,456	22,272
2002	97.1	79.7	54.7	33,557	33,557	21,181
2003	100.4	76.9	51.6	34,704	34,704	20,087
2004	103.8	72.9	48.5	35,880	35,880	18,950
2005	107.5	67.7	45.4	37,153	37,153	17,814
2006	111.9	61.0	42.2	38,675	38,675	16,666
2007	116.9	52.7	39.1	40,428	40,428	15,512
2008	123.1	42.3	36.0	42,572	42,572	14,367
2009	128.9	29.3	33.0	44,559	44,559	13,239
2010	134.1	25.0	30.1	46,376	46,376	12,136

Cumulative Costs Through 2010		
1,684.1	1,135.6	910.9

All dollars in millions

Longevity Bonus Proposals - Cumulative Cost Through Fiscal Year 2010



2/1/93
IN THE LEGISLATURE OF THE STATE OF ALASKA
with reference to:

In the HOUSE, Bill No. 58
In the SENATE, Bill No. 81

2/15/93
[Signature]

Please do not support these bills requested by the Governor.

This is my second shot at writing this. The first attempt is in the circular file because it seemed even to me that all I did was cry about how it would impact me personally. Let it suffice to say we have been here 23 years and have toughed out a lot and made difficult family decisions because of the thought there would be a pay-off at the end to make it all worthwhile.

I am a grandfather now, but not yet old enough to fit in the slot of the Governor's program. I find it incredible that he would offer these benefits to a one year resident and deny them later to a family with our history in the state.

Please consider this alternative. I do not particularly like it but I understand your need to balance budgets and I would consider it much more fair:

1. Determine the amount of money funding the existing longevity bonus program requires annually and set up a cost of living adjustment factor.
2. Require applications each year like the permanent fund system, for example.
3. Divide the annual amount by the number of approved applications and send out the checks.

I think this system could be implemented simply and efficiently, would put a cap on the annual fund, would reward those who stayed thru the tough times, and would only gradually diminish the amount each recipient received as population increased within this age group.

Sincerely,

[Signature]

Bruce E. Schirmers

FAX 262 4121

FEB 10 1993



Bruce & Co

P.O. Box 2559 2856

262-4500

Soldotna, Alaska 99669



Alaska State Legislature

Please enter into the record my testimony to the H State Affairs
 committee on HB 81 Longevity ^{Phase out} dated Feb 2, 1993
 bill/subject Bonus

See attached

Signed: John J. Shaffer
 Testifier
SLC AARP
 Representing (Optional)
303 Kinsham Sitka AK 99835
 Address
907 747-8425
 Phone No.



**ALASKA STATE LEGISLATION
ALASKA LONGEVITY BONUS PROGRAM
POSITION PAPER
1993**

AARP POSITION

The Alaska State Legislative Committee of the American Association of Retired Persons advocates the reform of the Longevity Bonus Program to an annuity program.

This annuity program should include the following recommendations:

- 1) Protect current recipients and continue their benefits.
- 2) Assure program stability to recipients.

Discussion

Monthly longevity bonus payments by the State of Alaska to persons 65 years or more of age were initiated in 1972 with stipulations. The payments were intended to acknowledge long time contributions to the state and to encourage post-retirement residency. The courts nullified all but limited residency requirements.

The program has expanded and exceeded expectations. The rapid growth of the retirement community accelerated the financial obligations upon the Alaska General Fund. The current program is one of the most successful and broadest based programs of state government contributing to the economy and social well being of all Alaskans.

Many proposals have been made to modify the longevity bonus program. In 1985 an annuity program was submitted for a state-wide advisory vote, passing by a 60 percent margin.

Seniors are a valuable contributing force in our state. The longevity bonus program enables seniors to retire in the state. Implementation of an annuity program would solve the accelerating obligations upon the General Fund by phasing out that obligation and would enable current recipients to remain in Alaska.

For further information, please contact:

Mary Lou Meiners, Chair
State Legislative Committee
(907) 586-2568

Seattle Office
9750 Third Ave, NE Ste. 400
Seattle, WA 98115
(206) 526-7918

Joe Alter, Coordinator
Capital City Task Force
(907) 586-6680

John Shaffer, Chair
Economic Security Subcommittee
(907) 747-8425

Adopted: December 8, 1992
alaska net

HB

84

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSHB 84 (HES)

1994 LEGISLATIVE SESSION

Revision Date: February 14, 1994

Department Affected: Education

Title: An Act relating to grants for the improvement of school performance and to teacher tenure rights

BRU: School Finance

Sponsor: Governor Hickel

Component: Data Management

Requester: House HESS Committee

COMPONENT SERIAL NO. 1241

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	4.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	4.0					

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

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	4.0					
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	4.0					

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary.) The State Board of Education will need to develop, notice and promulgate regulations for the grants for the improvement of school performance and teacher tenure rights.

Prepared by: Sheila Peterson *Sheila Peterson*
 Division: _____

Phone: 465-2803
 Date: February 14, 1994

Approved by Commissioner: *Wesley Melvin*
 Agency: Education

Jerry Covey
 Date: February 14, 1994

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FISCAL NOTE

No. 1
 Bill Version: HB 84
 (H) Publish Date: 1/22/93

STATE OF ALASKA
1993 LEGISLATIVE SESSION

Revision Date: _____
 Title: An Act implementing certain recommendations of
Alaska 2000 to improve the states education system.
 Sponsor: Governor
 Requestor: _____

Department Affected: Department of Education
 BRU: Education Program Support
 Component: Basic Education and Instructional
Improvement

COMPONENT SERIAL NO. 171

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	6.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	6.0					

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

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING:

(Thousands of Dollars)

FUNDING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
1002 Federal Receipts						
1003 GF Match						
1004 GF	6.0					
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	6.0					

POSITIONS:

POSITIONS	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact \$ 0

ANALYSIS: (Attach a separate page if necessary.) The State Board of Education will need to develop, notice, and promulgate regulations for three sections of this bill: (1) the fund for school improvement; (2) advisory school board; (3) charter schools. Cost for each section is two thousand dollars.

Additional fiscal information: See attached.

Prepared by: MIKE MAHER
 Division: COMMISSIONERS OFFICE

Phone: 465-2800
 Date: 1/11/93

Approved by Commissioner: [Signature]
 Agency: Education

Jerry Covey
 Date: 1-11-93

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8-GH1033ND
Cramer
2/22/94

CS FOR HOUSE BILL NO. 84()
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to grants for the improvement of school performance and to
2 teacher tenure rights; and providing for an effective date."

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

4 * Section 1. AS 14.03.125(a) is amended to read:

5 (a) The fund for the improvement of school performance is created as an
6 account in the general fund. The fund shall be used by the commissioner to make
7 grants [TO A DISTRICT LOCATED IN THE STATE] for the purpose of improving
8 public school performance in a district in the state. The fund consists of money
9 appropriated by the legislature, including money appropriated from the earnings of
10 the public school trust fund under AS 37.14.110. The commissioner shall include
11 an [ANNUALLY DETERMINE THE] amount [REQUESTED] for grants under this
12 section [AND SHALL INCLUDE THE AMOUNT] in the department's annual budget
13 request.

14 * Sec. 2. AS 14.03.125(b) is amended to read:

1 (b) A person, governing body, or district advisory board [, OR NONPROFIT
2 ORGANIZATION] located in the state [, OR A TEACHER OR PRINCIPAL
3 EMPLOYED BY A PUBLIC SCHOOL IN THE STATE,] may apply for a grant of
4 up to \$50,000 to improve public school performance by submitting an application to
5 the commissioner. An application must be signed by the chief school administrator
6 of the district that will receive the grant or, if the application is from a person,
7 the chief school administrator of a district that has agreed to receive, administer,
8 and account for the grant.

9 * Sec. 3. AS 14.03.125(c) is amended to read:

10 (c) The department may award a [A] grant [MAY BE AWARDED] to the
11 same applicant [GRANTEE] in consecutive fiscal years, but may not award a grant
12 [BE AWARDED] to the same applicant [GRANTEE] for more than three [TWO]
13 fiscal years within a five-year period. This subsection does not apply to a district
14 if the district is administering the grant and the district governing body is not the
15 grantee.

16 * Sec. 4. AS 14.03.125(e) is amended to read:

17 (e) In this section,

18 (1) "applicant" means a person applying for a grant under this
19 section:

20 (2) "district" has the meaning given in AS 14.17.250.

21 * Sec. 5. AS 14.03.125 is amended by adding a new subsection to read:

22 (f) The board shall adopt regulations concerning grants and grant award
23 procedures under this section.

24 * Sec. 6. AS 14.20.147(b) is amended to read:

25 (b) When a school operated by a federal agency is transferred to or absorbed
26 into a new or existing school district, the teachers shall also be transferred if mutually
27 agreed by the teacher or teachers and the school board of the new or existing district.
28 A teacher transferred from a federal agency school that [, WHICH] does not have an
29 official salary schedule or teacher tenure in the same manner as a public school district
30 in the state [,] shall be placed on a position on the salary schedule of the absorbing
31 district; the salary may not be less than the teacher would have received in the federal

1 agency school. If the teacher taught four [TWO] or more years in the federal agency
2 school and, at the time of transfer, had a valid Alaska teaching certificate, that teacher
3 shall be placed on tenure in the absorbing district.

4 * Sec. 7. AS 14.20.150 is amended to read:

5 Sec. 14.20.150. ACQUISITION OF TENURE RIGHTS. (a) A teacher
6 acquires tenure rights in a district when the teacher

7 (1) possesses a standard teaching certificate;

8 (2) has been employed as a teacher in the same district continuously
9 for four [TWO] full school years and is reemployed for the school year immediately
10 following the four [TWO] full school years.

11 (b) The tenure rights acquired under (a) of this section become effective on the
12 first day the teacher performs teaching services in the district during the school year
13 immediately following the four [TWO] full school years.

14 * Sec. 8. APPLICABILITY OF TENURE CHANGES. The amendments made by secs.
15 6 and 7 of this Act apply to teachers first hired by a school district on or after the effective
16 date of this Act.

17 * Sec. 9. TRANSITION. Notwithstanding sec. 11 of this Act, the state Board of Education
18 may proceed to adopt regulations necessary to implement this Act. The regulations take effect
19 under AS 44.62 (Administrative Procedure Act), but not before the respective effective date
20 of the relevant section or sections of this Act.

21 * Sec. 10. Section 9 of this Act takes effect immediately under AS 01.10.070(c).

22 * Sec. 11. Sections 1 - 8 of this Act take effect July 1, 1994.

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

March 16, 1994

SUBJECT: Comparison of CSHB 84 (), "D" version with CSHB 84 (HES)
(Grants for school performance and teacher tenure rights)

TO: Representative Gail Phillips

FROM: Teresa B. Cramer *TBC*
Legislative Counsel

You have requested a short comparison between the "D" version of CSHB 84 () and the HES Committee Substitute of that bill.

Grants for school performance improvements.

Sections 1 - 5 are identical in the two versions: the grant program remains unchanged.

At the end of the bill, the transition provision to allow the state Board of Education to adopt regulations before the July 1, effective date, and the immediate effective date for this transitional provision (secs. 11 and 12 in the HES CS and secs. 9 and 10 in Version "D") are also identical.

Teacher tenure provisions.

Beginning with section 6, the bills take different approaches to teacher tenure.

CSHB 84 (HES). Under the House CS, a teacher may acquire tenure after three years of teaching in a district and four years of teaching in the state if the teacher satisfies the review process set out in Secs. 14.20.151 - 14.20.154 enacted by sec. 7 of the bill. Briefly, the review process involves a local tenure review committee composed of three to five members drawn from the teachers and administrators of the schools covered by the committee. The committee reviews the performance of nontenured teachers annually (Sec. 14.20.153(e)) and reviews nontenured teachers who are applying for tenure in order to make a recommendation to the school board about whether tenure should be granted.

Representative Gail Phillips
March 16, 1994
Page 2

CSHB 84 (), version "D". The "D" version retains the existing statutory procedures for granting tenure but increases the length of service required from two full years of teaching to four full years. (See bill secs. 6 and 7) There is no provision for a tenure review committee.

Applicability. In both the HES CS and the "D" version the changes apply only to new hires. Applying the changes to teachers hired before the effective date of the Act would make the provisions subject to constitutional challenge as an impairment of the obligations of contracts.

Termination of tenure for unsatisfactory performance.

CSHB 84 (HES). In secs. 8 and 9, the HES CS provides for the termination of tenure of teachers who receive notice of unsatisfactory performance and fail to improve within two years.

CSHB 84 (), "D" version. The "D" version does not have a comparable provision concerning termination of tenure.

Please let me know if you have additional questions concerning these two versions of HB 84.

TC:pl
94-213.plm

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

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MEMORANDUM

February 24, 1994

SUBJECT: Sectional summary of CSHB 84(HES) (Relating to grants for improving school performance and to teacher tenure rights)

TO: Representative Con Bunde
Attention: Lynne Smith

FROM: Teresa B. Cramer *BC*
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Permits the commissioner of education to award grants to entities other than school districts as long as the purpose of the grant is to improve public school performance in a district in the state. Includes appropriations from the earnings of the public school trust fund in the grant fund.

Section 2. Requires applications for a grant to be signed by the chief school administrator of the district that will receive the grant or that will administer a grant applied for by another entity.

Section 3. Allows a grant to be awarded to the same applicant for three fiscal years within a five-year period. The subsection does not apply to a district if the district governing body was not the grantee.

Section 4. Defines "applicant" for AS 14.03.125, amended by bill Sections 1 - 3 above.

Section 5. Requires the state Board of Education to adopt regulations regarding grants and grant award procedures.

Section 6. Changes the requirements for earning tenure rights. Requires teachers to have been employed as teachers in the state under a standard or provisional

teaching certificate for four years and to have been employed for the last three years in the district. Also requires teachers to be reviewed by a local tenure review committee and approved for tenure by the local school board. Current law does not require review by committee or approval by the school board.

Subsection (c) retains the current system for teachers hired before the effective date of the bill. Subsection (d) permits school boards to request an exemption from the local tenure review committee requirement when there are insufficient tenured teachers at a school.

Section 7. Enacts new requirements for teacher tenure.

Sec. 14.20.151 sets out when a teacher may apply for tenure and requires teachers to submit certain information when applying. Subsection (c) states that failure to acquire tenure does not affect an existing employment contract.

Sec. 14.20.152 directs school boards to establish local tenure review committees composed of tenured teachers, elected from the teachers in the school, and building administrators appointed by the school board.

Sec. 14.20.153 requires the local tenure review committee to review requests for tenure. Deliberations on a request are held in executive session. Under subsection (c), the committee determines whether it is in the best interests of the students in the district to recommend approval or disapproval of tenure for the requesting teacher. Under subsection (d), the committee's recommendations are filed with the local school board, the teacher, and the school superintendent. Under subsection (e), the committee also reviews the performance of nontenured teachers and prepares a written evaluation, which becomes part of the teacher's personnel file.

Sec. 14.20.154 requires the school board, after considering a teacher's request and the recommendation of the local tenure review committee, to approve or disapprove an application for tenure.

Section 8. Limits a tenured teacher's right to reemployment within the district to last only so long as the teacher's performance is not unsatisfactory as set out in a new statutory section enacted by Section 9 of the bill.

Section 9. Enacts a new section permitting the termination of tenure for unsatisfactory performance. Under subsection (a), school boards are required to establish procedures for the annual performance review of tenured teachers. If the review process results in a notice of unsatisfactory performance for a tenured teacher, the teacher has two years in which to improve his or her performance. If the teacher fails to improve in two years, the local school board may terminate the tenure of the teacher. After termination of tenure, the teacher has the rights of a newly-hired nontenured teacher.

Section 10. Defines "committee" and "school board."

Section 11. Permits the state Board of Education to adopt regulations to implement the Act immediately. The regulations may not take effect before the effective date of the relevant sections of the Act.

Section 12. Gives Section 11 an immediate effective date.

Section 13. Makes the rest of the Act effective July 1, 1994.

TC:pl
94-154.plm

DIVISION OF LEGAL SERVICES

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(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

February 1, 1994

SUBJECT: CSHB 84 (HES) (Teacher tenure rights)
TO: Representative Con Bunde
FROM: Teresa B. Cramer *TC*
Legislative Counsel

You have asked that I explain my concerns about the amendment to Sec. 14.20.172(c) adopted by the HESS committee. The sentence, before amendment, read:

A local school board may terminate the tenure of a teacher who has received a notice of deficiency as part of a performance evaluation if the board finds that the teacher's performance has remained deficient for the two-year period.

The amendment, which has been included in the draft HESS CS, adds "for just cause" after "terminate" in the first line of the sentence. The last clause of the sentence ("if the board finds that the teacher's performance has remained deficient for the two-year period") sets out the basis for the board's action. This is the "cause" that the previous draft contemplated as justification for the board's action. Adding the general phrase "just cause" makes it unclear whether a two-year period of deficiency is a sufficient basis for ending tenure and also whether there may be other reasons that tenure could be terminated. Given the ambiguity in the relationship of the "just cause" to the "two-year deficiency," I would recommend that the sentence be redrafted or that the "just cause" language be omitted, depending on the committee's intent. If the committee is concerned that the teacher may have been found deficient over a two-year period for essentially insignificant deficiencies, I would suggest addressing that directly, perhaps by adding a requirement that the board find that the teacher's performance has remained substantially deficient or significantly deficient for the two-year period.

Please let me know if you have question about this memo or if you would like the CS redrafted.

TC:pl:gc
94-087.pl:m
Enclosure

House Bill 84

"An Act implementing certain recommendations of Alaska 2000"

Increase the School Term

- For the school year beginning in 1994, the number of days in the school term is increased from 180 to 183.
- The added school days will increase by three days in 1995, 1996, and 1997, and increase by four days in 1998 and 1999.
- The cumulative effect of these changes is to increase the existing school term by 20 days by the year 2000.

Flexibility in Funding Grants for School Improvement

- If public school performance will be enhanced and improved, school districts and other entities may be eligible for a grant from the "Fund for the Improvement of School Performance".
- Earnings from the "Public School Trust Fund" (established under AS 37.14.110) may be appropriated to the "Fund for the Improvement of School Performance".

Establishment of Advisory School Boards

- Advisory school boards will be mandated in city and borough school districts as they are required for REAAs.
- An advisory school board will be under the direction of the local school board and may serve more than one school upon approval of the Commissioner.

Establishment of a Tenure Review Committee

- The local school board shall appoint a local tenure review committee composed of five to nine members to minimally include: two parents, two teachers, and one student over 16.
- The review committee will consider the teacher's request for tenure, along with the teacher's evaluations, supervisor's recommendations, and other material the teacher considers informative regarding the request for tenure.

Establishment of a Tenure Review Committee cont.

- The committee will vote on each request as to whether it is in the best interest of the district's students to recommend tenure.
- The local school board will consider the local tenure review committee's recommendation, and will make the final decision regarding the granting of tenure.

Establishment of Charter Schools

- The charter school concept is established as a pilot project for 3 years.
- A charter school, approved by the local school board and the State Board of Education, operates as a school in the local district. The school, however, is exempt from local textbook, program, curriculum and scheduling requirements.
- A charter school operates under its own annual program budget. The funding level is the same as other public schools in the district.
- A charter school may be designed to serve students within an age group, grade level, or students who will benefit from a particular teaching method/curriculum. In the event of an excess of applications, students will be accepted by random drawing.
- The State Board of Education may not approve more than 40 charter schools to operate at any one time.

Sectional Analysis

House Bill 84

"An Act implementing certain recommendations of Alaska 2000"

Section 1 sets out the purposes of the Act.

Section 2 increases the school term by three days.

- Increases the number of days in the school term from 180 to 183.
- Increases from 150 to 153 the minimum school term the Commissioner can approve for a district abating asbestos health hazards.
- Increases from 160 to 163 the minimum school term the Commissioner can approve due to necessity or to the submission of another acceptable plan.
- Changes the standard for an acceptable, alternate, shorter school term from a plan based on equivalent instructional hours to a plan under which students receive the educational equivalent of a regular 183 day term.
- This section takes effect July 1, 1994, in order to give districts time to prepare for the increases.

Section 3 provides additional, subsequent increases.

- Increase the school terms referred to in section 2 by three days in each of the school years that begin in 1995, 1996, and 1997, and increases the terms by four days in the school years that begin in 1998 and 1999.
- The cumulative effect of sections 2 and 3 is to increase the existing terms by 20 days by the year 2000.

Sections 4-7 amend AS 14.03.125 to provide flexibility in funding grants for school improvement.

Section 4

- Permits the fund for the improvement of school performance to include appropriations from the earnings of the public school trust fund. (Established under AS 37.14.110.)
- Permits grants to be awarded to entities other than school districts, if the grant will nonetheless benefit or improve school performance.

Section 5 removes the existing \$50,000 cap on grants.

Section 6 permits grants to be awarded to the same grantee for up to three fiscal years within a five-year period.

Section 7 requires the board to adopt regulations setting out grant award procedures.

Section 8 mandates that city and borough school districts establish advisory school boards under AS 14.12.035. Advisory boards are already required for REAA's.

- They are required at each school in a community within a district if the community has 50 or more permanent residents.
- A school district with only one school and a school board is exempt.
- The school district board shall set standards and prescribe the power and duties of the advisory board.
- Upon request by a school district the commissioner may allow an advisory board to serve more than one school.

Sections 9-11 amend AS 14.20 by repealing and reenacting AS 14.20.150 and enacting new sections that require a committee evaluation and recommendation before a teacher is granted tenure.

Section 9 provides that teachers acquire tenure after

- applying for tenure;
- being employed continuously for two full school years and reemployed for a third consecutive year;
- being considered for tenure by a local tenure review committee; and
- being approved for tenure by the local school board.
- Teachers hired before July 1, 1993 and continuously employed by a district acquire tenure rights under the existing scheme.

Section 10 sets out the process for applying for tenure.

- A teacher submits a request to the superintendent along with evaluations, supervisor's recommendations, and other material the teacher considers informative regarding the request for tenure.
- The Superintendent forwards copies to the local school board and the local tenure review committee.
- Failure to acquire tenure will not affect an existing contract between the teacher and the district.
- Teachers may reapply for tenure 120 days after a school board's disapproval for tenure.

Section 10 also requires districts to appoint local tenure review committees.

- The committees are composed of five to nine members and serve at the pleasure of the school board.
- Members shall include two parents, two teachers, and one student over 16. Remaining members shall

have had involvement in the district's educational program.

- The committee shall meet at least once every six months if requests for tenure are pending.
- The committee will publish notice of meetings, including the names of teachers who have requested tenure, and state that comments may be provided to the committee before the meeting. Comments received must be provided to the teacher.
- The committee shall allow for public comment at the meeting, and deliberate on each request in an executive session at which the teacher may be present.
- A teacher's evaluations are not public records.
- The committee will vote on each request by roll call in an open meeting as to whether it is in the best interests of the district's students to recommend tenure.
- The committee will furnish written notification of its recommendation to the local board within 10 working days, including the reasons for any recommendation to disapprove tenure.

Section 10 additionally provides that the local school board will consider the local tenure review committee's recommendation, and will vote to approve or disapprove tenure for a teacher. The reasons for any disapproval shall be set out in writing.

Section 11 adds definitions of "board," "committee," and "parent" to the chapter's definition section.

Section 12 establishes charter schools.

- Charter schools may be established on application of a charter school board of directors and approval by a local board and state Board of Education.

- The state Board of Education may not approve more than 40 charter schools to operate any one time.
- Local boards will prescribe an application procedure.
- Local boards will forward to the state Board of Education applications that have been approved or denied.

Section 13 describes the organization and operation of a charter school.

- A charter school operates as a school in the local district except that it is exempt from local textbook, program, curriculum and scheduling requirements and operates under its own annual program budget. Other exemptions may be agreed to by the district and charter school.
- An initial board of directors of a charter school shall organize informally, but shall consist of five to nine members, including at least one parent of a prospective student of the school and one prospective teacher of the school. Remaining members must be a parent of a prospective student, a prospective teacher, or a prospective student of the school.
- The initial board will develop the school's program, apply to the local school board, and, on approval, negotiate a contract with the local school board.
- A permanent board of directors will be elected by the teachers, parents and students of a charter school after classes begin. The permanent board must meet the membership requirements of the initial board.
- The permanent charter board shall keep financial records, oversee operations of the school, and meet regularly with the teachers.

A charter school operates under a contract between the local board and the charter board. Contracts must contain certain provisions:

- description of educational program
- achievement levels for educational program
- admission policies and procedures
- administrative policies
- statement of program budget and costs assignable to the charter school program budget
- method of accounting
- location and description of facility
- name of teacher or teachers who will teach in the school
- teacher to student ratio
- number of students served
- term of contract, not to exceed three years
- termination clause providing that the local board may terminate the contract for failure of the school to meet education achievement goals, fiscal management standards, or other good cause
- statement that the charter school will comply with all state and federal requirements for receipt and public use of money
- other requirements or exemptions agreed to by the charter board and the local school board

Section 14 describes funding for charter schools.

- Local boards will provide a charter school with an annual program budget. This budget will be not less than the amount generated by the students enrolled in the charter school less administrative costs retained by the district, determined by applying the department approved indirect cost rate. The funding level should be the same as other public schools in the district.
- The program budget will be spent for implementing the educational program of the charter school, including purchasing textbooks, classroom materials and instructional aids.
- A charter board will provide all financial and accounting information requested by the local board, the district, or the department, and cooperate in complying with AS 14.17.190.

Section 15 describes admission to a charter school.

- A charter school may be designed to serve students within an age group or grade level, or students who will benefit from a particular teaching method or curriculum.
- A charter school shall enroll all eligible students, except in the event of an excess of applications students will be accepted by random drawing.
- A charter school may not discriminate on the basis of intelligence, achievement, aptitude, or athletic ability.

Section 16 addresses teacher transfers and evaluation.

- Teachers will not be assigned to a charter school against their will.
- After June 30, 1993, local school boards may not negotiate or renew provisions in a negotiated agreement that create a right to transfer to a

charter school based on seniority.
Charter school teachers will be evaluated in the same manner as other teachers in the district. If no administrator is assigned to the charter school, the local board with charter board agreement shall designate a district administrator to evaluate a charter school teacher.

Section 17 provides that a charter school contract may be for a term of no more than three years, and may not extend beyond July 1, 1999.

Section 18 provides that the state Board of Education may adopt regulations necessary to implement the charter school provisions.

Section 19 is a definition section related to charter schools.

Section 20 repeals sections 12-19 and is effective July 1, 1996. This implements the intent that the charter school concept is a pilot project.

Sections 21-25 provide effective dates.

WALTER J. HICKEL
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 22, 1993

The Honorable Rick Halford
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Halford:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that makes significant changes to our public education system. This bill is an outgrowth of the work of many Alaskans to improve our public education through Alaska 2000.

Through Alaska 2000, a cross section of Alaskans met during 1992 to examine our school system and to make recommendations to the state Board of Education and the governor to improve the quality of public school education for our children. The state board has reviewed the recommendations and has chosen five as high-priority proposals to present for legislative consideration. This bill, if enacted into law, implements those proposals.

The first proposal concerns extending the existing mandatory 180-day school year to 200 days by the year 2000. This would allow our children to have 20 additional classroom days of teaching. The imposition of a 200-day school year should help achieve higher educational performance so that our children can have the tools to compete in today's complex society. See secs. 2 and 3 of the bill.

The second proposal would amend the existing statute that creates the fund for the improvement of school performance, to allow the commissioner to make grants to any appropriate organization or person to improve our schools. The existing statute limits the commissioner to granting only to school districts. Additionally, the bill would remove the \$50,000 restriction on the maximum grant amount and would increase by one the number of years in which the same grantee could receive a grant. These provisions should increase flexibility to award grants to the best qualified organization or group in an amount that can get the job done. The state Board of Education would be required to adopt regulations to ensure efficient and effective administration of the program. See secs. 4, 5, 6, and 7 of the bill.

The third proposal would mandate citizen advisory boards in virtually all school districts in the state. Presently, some school districts have opted to do so on a

The Honorable Rick Halford
January 22, 1993
Page 2

voluntary basis and have found the advisory boards extremely helpful in keeping the local school boards advised on local community needs and concerns. With some exceptions, the bill would mandate the procedure so that all local school districts can have the benefit of an advisory board. See sec. 8 of the bill.

The fourth proposal would change the procedure by which new teachers obtain tenure rights to employment after June 30, 1993. The bill would add a mechanism for increased public involvement in tenure decisions and would encourage more thorough and thoughtful evaluation of teachers by their supervisors. While I recognize that this proposal might be controversial, it serves a valuable function in that it ensures that only teachers who have shown their ability to teach earn the right to tenure in our public schools. This should play a key role in improving our educational system in the future. See secs. 9, 10, and 11 of the bill.

The fifth proposal allows for the establishment of a pilot project for the creation of up to 40 charter schools within our public school system. A charter school would be authorized by a contract between a local school board and the board of directors of the charter school, with the approval of the state Board of Education. These charter schools can focus on a unique educational philosophy or teaching curriculum to meet the needs of the students enrolled in the school. The provisions of the bill that authorize the program will "sunset" July 1, 1996, although a charter school contract could extend to July 1, 1999. The legislature will have the opportunity to scrutinize the success of the pilot program to determine whether it should be reauthorized through new legislation. See secs. 12 - 20 and sec. 25 of the bill.

All of the above substantive changes, except for the phased-in changes in school term length in secs. 2 and 3, would take effect July 1, 1993. The phased-in changes in school term length would take effect July 1, 1994. See secs. 23 and 24.

Finally, sec. 21 would give transitional authority to allow the state Board of Education to begin the process to adopt regulations as soon as the bill is signed into law; the new regulations cannot take effect before the respective effective dates of the relevant sections of this bill. Section 22 of the bill would give this transition section an immediate effective date.

Alaska's children are Alaska's future. Providing them a quality education is an investment that we must make, and is an investment that will benefit all of us.

I urge your support of this important legislation.

Sincerely,



Walter J. Hickel
Governor

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF EDUCATION

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894

OFFICE OF THE COMMISSIONER

January 24, 1994

The Honorable Con Bunde
Alaska State Legislature
Co-Chair, Health, Education and Social Services Committee
State Capitol, Room 112
Juneau, AK 99801-1182

Dear Representative Bunde:

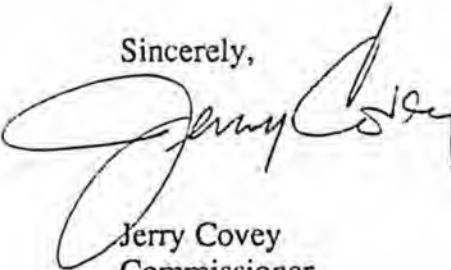
Thank you very much for scheduling HB84, "An Act implementing certain recommendations of Alaska 2000 to improve the state's education system," for a public hearing before the House HESS Committee, Wednesday, January 26, 1994.

Sections 4-7 of HB84 amend the statutes relating to the *Fund for the Improvement of School Performance*, AS 14.03.125. The 1993 grant year marked the first year grants were awarded under this program and the response was overwhelming. A total of 112 applications were received from 31 school districts requesting over \$2,500,000. The six largest school districts submitted multiple proposals, ranging from 4 - 25 proposals. Over \$500,000 was awarded to 25 recipients from 16 school districts.

Based on the department's experience in implementing the *Fund for the Improvement of School Performance*, I submit for the HESS Committee's consideration an amendment which will allow greater flexibility in awarding these grants. Enclosed you will find the proposed amendment and a brief synopsis of the grants awarded in 1993.

Thank you for your assistance in this matter.

Sincerely,



Jerry Covey
Commissioner

Enclosures

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF EDUCATION
OFFICE OF THE COMMISSIONER

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99501-1894

March 8, 1994

The Honorable Brian Porter
Alaska State Legislature
State Capitol, Room 112
Juneau, AK 99801-1182

Dear Representative Porter:

This letter is to request a hearing before the House Judiciary Committee on HB 84, "An Act implementing certain recommendations of Alaska 2000." This legislation, as originally introduced, highlighted five proposals: extend the school term, establish charter schools, add flexibility to the *Fund for the Improvement of School Performance*, establish advisory school boards, and reform teacher tenure.

CS for HB 84 (HES) retains two concepts of the original bill. The statutes authorizing the *Fund for the Improvement of School Performance* were modified to allow flexibility in awarding the grants. In addition, the committee substitute also addresses the process for acquiring teacher tenure.

This legislation is an outgrowth of the work of many Alaskans to improve our public education through the Alaska 2000 Initiative.

Thank you very much for your assistance in this request.

Sincerely,



Jerry Covey
Commissioner

cc: Sheila Peterson, Special Assistant to the Commissioner

SCHOOL IMPROVEMENT

Projects Awarded under the "Fund for the Improvement of School Performance"



"It gives me great pleasure to award these grants for school improvement. Alaska has many excellent educators who are creative and innovative. The implementation of these grants will be exciting for everyone involved."

Jerry Covey
Commissioner of
Education

Abstract of School Improvement Grant Proposals

INNOVATIVE IDEAS

by 25 public school teachers/administrators/nonprofit organizations

Editor's Note: In 1990, the Legislature established the "Fund for the Improvement of School Performance" within the general fund. The Commissioner of Education is to make grants from this fund to school districts for the purpose of improving school performance. In 1993, over \$500,000 was awarded to 25 recipients from 16 school districts. The project proposals ranged from creating an electronic portfolio of a student's work to providing direct instruction between three small districts using advance technology.

A total of 112 applications were received from 31 school districts requesting over \$2,500,000. The six largest school districts submitted multiple proposals, ranging from 4-25 proposals. The area of concentration for most grant requests was in the field of English/language arts, technology, mathematics, and science.

The 1993 grant year marked the first year grants were awarded for the improvement of school performance and the response was overwhelming! A brief synopsis of the grants awarded follows. With the success of these grants, the students of Alaska will be the WINNERS!!!

Anchorage School District Parent Support Group

A parent support/training group for parents of seriously emotionally disturbed junior high students will be established under the guidance of a master level social worker. This targeted, parent support will lessen the parent's isolation, will provide much needed emotional support and will improve parenting skills.

Computer Instruction

AVAIL, Anchorage Vocational and Academic Institute of Learning, is a partnership between businesses and the Anchorage School District to serve high risk youths who have dropped out of school. This alternative high school is located in the 5th Avenue mall and serves street teenagers, homeless youth, and long term high school drop-outs. The additional computers and software provided by this grant will allow the school to expand its computer-assisted instruction.

Integrated Performance Assessment

Student achievement in reading, writing, and math will be evaluated by an integrated performance-based assessment project in a pilot program reaching approximately 30% of the elementary students and 15% of the junior high students in the district. Scores obtained on standardized tests by project participants will be matched with their integrated assessments and analyzed. The pilot project will result in the development of performance expectations for reading, writing and math and an assess-

ment system that can be used or adapted by other schools and districts in the State.

Fairbanks School District Portable Planetarium

Elementary school teachers will be able to provide participatory astronomy lessons using a dome-shaped Starlab Portable Planetarium purchased through grant funds. A core group of eighteen

Using Alaska specific activity-based lessons inside the portable planetarium, learning can be constantly monitored . . .

third grade teachers will receive extensive training on how to present activity-based planetarium lessons utilizing the Starlab and will later serve as mentor teachers to others. Using Alaska specific activity-based lessons inside the portable planetarium, learning can be constantly monitored as the students are asked to demonstrate and discuss the new information presented.

After School Tutoring

The Literacy Council of Alaska will conduct an *After School Tutoring Project* at two elementary schools in downtown Fairbanks. Elementary students who are referred by their teachers will receive additional group instruction and one-on-one assistance in reading and math after school. Parental input will be solicited and used to design the program. To help bridge the gap between school and home, parents will also receive training as volunteer tutors.

Promoting Telecommunication Skills

The acquisition of additional phone lines with modems for remote dial-in and dial-out and six laptop computers will give teachers the opportunity to use technology to research databases across the nation and around the world.

The home can be a virtual extension of the school, and other family members will be able to participate in their children's education in new and unique ways.

Students can ask questions of nationally-known scientists, correspond with their peers in different countries, search databases, and locate sources of information for reports and projects. From the home, families will be able to check a student's progress, or send messages to teachers. Students will be able to access school resources at home, complete assignments when they miss school, or do a little extra research. The home can be a virtual extension of the school, and other family members will be able to participate in their children's education in new and unique ways.

Haines School District

Natural Living Laboratory

The *Sawmill Creek Grant Proposal* plans to utilize a neighborhood waterway as a natural living laboratory for the study of fish, aquatic ecology, forest succession, animal habitats, water quality, and riparian ecosystems. Students will participate in the design and construction of an interpretive trail that

will follow a portion of the Creek system. The district's natural resource curriculum will be expanded to include specific lesson plans for each grade level which incorporates the Creek's ecosystem.

Juneau School District

Electronic Portfolio of Work

With the purchase of additional computer equipment, an individual electronic portfolio will be created and maintained for each K-1 student in a Juneau elementary school. The portfolio will be accessible to each student, teacher and parent. A digital camera will provide actual computerized photos of the student's work in mathematics. In addition, the child will be able to input his or her own thoughts on how to solve the problem. This innovative assessment tool will focus on not only if the correct answer is given, but also on how each child solved the problem.

Middle School Standards

A design team of eight middle school teachers and two administrators will facilitate the development and publication of 8th grade course exit outcomes and a system of corresponding assessment in mathematics and language arts.

Kenai School District

Parent and Student Success

The major goal of this program is to improve student performance by enhancing parent-child-teacher relations. This goal will be achieved by enrolling academically at risk junior high students

in a *Parent and Student Success* class designed to assist students in acquiring the skills necessary for being successful in school and life. In addition, parents and students together will attend six meetings throughout the semester which will focus on strengthening parent-child relations.

Kodiak School District

Alternative Junior High Program

Approximately 30 students, grades 7-9, who have experienced a lack of success in the traditional school program will be accepted into a pilot program, *Get Real*. Underlying the project is the belief that education must be relevant to the

An advisory team comprised of community representatives will help to make recommendations and evaluate the programs success.

learner. To accomplish this, the course will implement a competency based curriculum utilizing a student directed portfolio assessment. An advisory team comprised of community representatives will help to make recommendations and evaluate the program's success.

Increasing Technological Competence

The purchase of additional computers and scientific software will provide high school science students the opportunity to be exposed to the high-tech tools commonly used in scientific and technological industries. A hands-on environ-

ment will be achieved by using computers, modems, scientific simulation or modeling based software appropriate to the students' abilities.

Lower Kuskokwim School District

Early Intervention

This project will include activities to teach parents how to work with their pre-school children to develop language skills. Through early intervention, the project will help the children in Atmaultuak, age birth to five years, acquire basic language skills to improve their academic levels in English and Yup'ik. A vocabulary baseline indicating the first Yup'ik words that infants and toddlers probably will learn to speak will be developed. This baseline will enable parents and project workers to determine developmentally appropriate language skills for young children.

Mat-su School District

Publishing a Newspaper

Publishing a monthly newspaper will provide an authentic method for fifth graders to improve and demonstrate their competencies in language arts and problem solving. At the same time, the students will develop and apply their technological competency in the use of computers. The grant will provide the necessary training and equipment to initiate this project. The students plan to sell advertising space and to become self-sufficient after the first year.

Literacy Through Science

A team of teachers will design a new hands-on program to instruct twenty-five ninth and tenth grade remedial students utilizing high interest science projects. Key planning meetings, unit activities, and student demonstrations will be video taped to document various components of the project.

Elementary Radio Show

Students, staff, and community members will work with a contracted facilitator to tape radio presentations for a daily radio program that includes student writing, radio drama, literature, news, commentaries, special programs, and music. With increased practice and wider audiences, students will gain confidence in their ability to perform.

Petersburg School District Skiff Manufacturing

This grant will allow high school welding students to become involved in the designing, manufacturing and marketing of a 20 foot aluminum commercial skiff. Manufacturing an aluminum skiff is an innovative and unique opportunity for students to experience the application of a current technology, while developing entrepreneurial skills for the future.

Upgrade Seismometer Station

The seismometer station at Petersburg High School will be upgraded to official state network operation status, using science students from the middle and

high school to perform the analysis and research. This project will provide the participants with a practical application of science and math, and the realization

This project will provide the participants with a practical application of science and math . . .

that they are contributing to basic science information unknown before the project began.

Tanana School District Operation of a Restaurant

The organization and operation of a restaurant (including preparation of all menu items) will be the task of the students enrolled in business education. The students will learn by doing every aspect of a business operation. The project will provide high school students with valuable work experience which may not have been possible locally.

Unalaska School District Social Studies Curriculum

With the assistance of cultural consultants, local curriculum materials will be developed for integration into the social studies program. In addition, the current catalog for the Unalaska City School's Alaskana Room will be updated and revised for use in student and teacher research. The Alaskana Room has one of the most comprehensive resource collections for this area of the state. An interactive multimedia Unangam lan-

guage lab will be developed which will further enhance language instruction and cultural awareness within the curriculum.

Wrangell School District

District Systematic Changes

Through a series of intensive staff development training sessions, over 25% of the district's certified staff will have increased their knowledge and skills in the area of standard implementation and student assessment. Three major plans critical to the district's continued restructuring effort will be developed during the summer sessions. While the project is targeted toward staff development, its impact will be on all students within the district.

Yukon Flat School District

FAS in Laboratory Mice

Students become junior scientists performing research on the effects of alcohol in laboratory mice, with particular attention to Fetal Alcohol Syndrome (FAS) in the offspring of pregnant mice treated with alcohol. Students learn valuable knowledge and healthy attitudes regarding alcohol use, as well as gaining important scientific skills and research and reporting skills by participating in the experiment.

Craig, Hydaburg and Klawock School Districts

Shared Instruction

A cooperative project between three school districts will provide 290 students, in grades 7-12, with access to direct instruction in advanced or special courses in mathematics, science, foreign language, and English composition.

Direct instruction will be provided to the three schools through a three way communication system using the best qualified teachers within the schools.

Direct instruction will be provided to the three schools through a three way, video, audio and data, interactive communication system using the best qualified teachers within the schools. Through this cooperative venture, the school districts will maximize their resources to benefit their students.

For further information regarding specific grant proposals, please contact each individual school district or Dorothy Mae Knight, 465-8681, at the Department of Education. This synopsis was prepared by the Department of Education.

Kermit D. Reppond
1616 Selief Lane
Kodiak, AK 99615.

January 26, 1994

Re HB 84

Dear Legislators,

I would like to voice my support of the establishment of charter schools. Although charter schools may not be feasible for the smallest school districts, most students in Alaska would benefit from having this option. Every profession has a bureaucracy and teaching is no exception. An inherent characteristic of any bureaucracy is that it is resistant to change and innovation. If we are to develop world class schools and scholars, teachers and parents need to be unburdened from administrative constraints that, however well intentioned, interfere with developing approaches to education that meet the needs of Alaska's youth. As an analogy, consider the fate of companies such as IBM who have lost their competitive edge because smaller companies were more able to make better use of developing technology. We need to unleash the innovative spirit of our teachers and parents.

Charter schools would also engender an increased sense of ownership on the part of parents, students, and teachers. Comparison of various teaching methods among schools would give insight as to what works and what doesn't, allowing non charter schools to learn from the work of others.

Sincerely,



Kermit D. Reppond



Alaska State Legislature

Please enter into the record my testimony to the House H.E.S.S.
committee name
committee on HB 84 - Ak 2000 Recomm., dated 1-26-94
bill/subject

(PLEASE SEE ATTACHED SHEET) - OVER -

RECEIVED: 2/8/94

Signed: Kermit D. Reppond
Testifier
self
Representing (Optional)
1616 Selief Lane - Kodiak, AK 99615
Address
486-6593
Phone No.

- OVER -

Post-It™ brand fax transmittal memo 7671

of pages ▶

3

To	Eric Grasso	From	Wiget
Co.	C/O Porter	Cn.	ASO
Dept.		Phone #	269-2255
Fax #	465-3834	Fax #	269-2107



ANCHORAGE
SCHOOL DISTRICT
4600 DeBarr Road
P.O. Box 196614
Anchorage, Alaska 99519-6614
(907)333-9561

February 3, 1994

Dear Con,

Larry Wiget asked that I go over HB 84 and address, in particular, the sections which focus on teacher tenure.

I understand amendments to the committee substitute have already been adopted and that the general advisory boards have been eliminated. The Tenure Committee is still in the draft; its members will be appointed by the School Board but committee members shall be subject to removal only for just cause. Just cause is a term of art, usually applied in employment relations, not to voluntary committee positions. It would be difficult for the Board to even develop reasonable procedures for removing a committee member who behaved badly. Such procedures would need to be in place before the process began.

The responsibility of the Tenure Committee would be awesome: it would not only conduct a performance review for every tenured teacher, every five years, but of every non-tenured teacher, every year. The current teacher work force is about 2830. Even though the law will apply only to those hired after July 1, 1994, eventually the numbers of teachers involved in this new program will grow large. Assuming performance review would include actual observation, rather than a simple review of evaluation documents produced at the school level, the financial and operational impact of releasing three to five teacher committee members to conduct such observations would be considerable. Further, the task of actually pulling together one or more committees to review all paperwork generated by all these observations and to discuss development of recommendations to the School Board, would be truly daunting.

We are trying to negotiate a more significant role for teachers in the evaluation of colleagues. Since teacher associations have a duty under law to fairly represent the interests of those in their bargaining units, when testimony regarding teacher performance deficiencies is provided by other teachers, the traditional distinction between supervisor and supervisee will become difficult to define. That may not be a bad thing but the ramifications

are serious and there is little evidence in the proposed bill to indicate that those ramifications have been explored. Under the terms of the current agreement between the District and the Association, teachers cannot evaluate other teachers. Clearly, law would supersede contract, if there was a clear mandate defined, but principals and teachers would require considerable time to discuss how a system of colleague review might actually work.

All in all, if the purpose of the changes the bill supports is improvement in the evaluation process, that purpose is unlikely to be met and we oppose its adoption, for the following reasons:

- At a minimum, the bill would create a bureaucratic monster which would produce mountains of paper which School Boards would be obligated to review before they could fulfill their statutory obligation to judge whether a teacher should retain employment.
- If the concern reflected in the bill is that there are too many incompetent teachers in the system and something ought to be done to send them on their way or help them to become better, there needs to be careful examination of the issues which contribute to that problem, if it is real.

The recommendation of the Anchorage School District, submitted as testimony before the Commissioner of Education during hearings in support of the Alaska 2000 initiative, was to reduce the burden which Districts must meet in terminating tenured teachers. A simple just cause standard, with appeal only to an outside arbitrator through a normal grievance process, would put teachers on the same footing as other public employees in the state. The current teacher termination process is incredibly cumbersome; it is designed to be little used and, in that sense, it works as it was designed to work. The method of attack on that poor and cumbersome system, contained in HB 84, would make an already bad situation worse, under the guise of increasing accountability.

If the Legislature wants a cleaner, more efficient and effective system of teacher evaluation, we suggest they propose a clean, efficient, and effective method of addressing that want. Specifically:

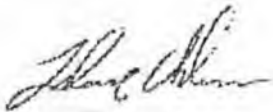
1. Extend the time needed to secure tenure, from two to three full years or more;
2. eliminate AS 14.20.170-180, in its entirety. Replace it with an addendum to AS 23.40 that says that collective bargaining agreements must contain grievance procedures which end in binding arbitration and apply to termination of teachers for just cause, without access to School Board review or trial *de novo*.

If this proposed modification to the present system does not produce the desired results in three to five years, we'll go back and try again. Let's begin with what we know and move forward, rather than create what we know nothing about and run a substantial risk of falling on our collective faces. Right now, we don't know what problem the bill hopes to fix or what evidence was developed that suggests this proposed solution will be any less onerous than the problem.

Please understand that these recommendations reflect administrative discussions only, they do not constitute a public position of the Anchorage School Board. If such a position is needed, we will take steps to calendar for necessary discussion but it would not likely occur before late March or early April, at the soonest.

If I can be of further assistance, please let me know.

Sincerely,



Lee Wilson
Executive Director/Labor Relations

cc Bob Christal
Carol Comeau

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 West 11th Street, Juneau, Alaska 99801-1510 • Tel. (907) 586-1083 • Fax (907) 586-2995

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February 17, 1993

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Representative Con Bunde
Representative Cynthia Toohey
Co-Chairs
House Health Education and Social Services Committee
Alaska State Legislature
Juneau, Alaska 99811

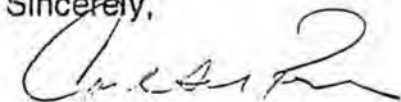
Dear Representatives Bunde and Toohey:

On February 12 and 13 the Association of Alaska School Boards convened a focus group of school board members, superintendents and school district finance officers to help us formulate comments and recommendations on the Alaska 2000 legislation that would represent a statewide perspective.

Enclosed you'll find the outcome of the work of that group. We conducted a comprehensive review of SB 61/ HB 84 and considered the various proposals it contained in the context of everyone's expectations of establishing a "world class" education system for Alaska. In addition to comments on the current elements, you'll find that we've addressed a number of additional issues we would request the HESS Committee consider in its work on this bill.

We appreciate the opportunity to discuss this with you further at the next Committee meeting on February 18.

Sincerely,



Carl F. N. Rose
Executive Director

enc

ALASKA 2000

ASSOCIATION OF ALASKA SCHOOL BOARDS RECOMMENDATIONS

The Association of Alaska School Boards and its members have been intimately involved in the Alaska 2000 initiative since its inception. We began a deliberate process of disseminating information regarding the Board-approved Alaska 2000 proposals to our members in January, 1993, in order to gather comments from all school districts in anticipation of proposed legislation. Eight regional teleconferences were held with all school districts to review the four bills proposed by the Governor. A focus group consisting of school board members, superintendents and district finance officers met on February 12 and 13 to consider the original Alaska 2000 committee recommendations, the recommendations approved by the State Board, the resulting Alaska 2000 bills and the comments from the school districts.

The focus group concurred that, as stated under Section 1 of SB 61/HB 84, Alaska 2000 was intended to provide "a comprehensive statewide effort of Alaskans to improve the state's education system for the future." It was felt, however, that the bills that were presented represented a good start but fell short of being "comprehensive" in their approach. The group identified the components they believed must be addressed by the legislation in order to provide a "world class" education, which included:

- 1) Overall school environment - adequate and appropriate space, equipped with the furnishings, equipment and technology necessary to support a comprehensive educational program.
- 2) Highest caliber professional staff - both in the classroom and in each school building, with assurances to both staff and public that the highest standards of professionalism will be promoted, recognized and rewarded appropriately.
- 3) Education programs - developed to meet high standards and identified outcomes, delivered by a variety of means that meet the diverse needs of students and prepare them to be contributing and productive citizens in a rapidly changing world.
- 4) Governance of schools - to insure the democratic principles that American school governance was based on over 200 years ago will be carried out in a way that will encourage a high degree of parental involvement in each school, each classroom, and the education of each child.
- 5) Funding - at a funding level that will reflect the priority the people of Alaska place on their children's education; distributed to all school districts in an equitable manner to provide comparable basic education

regardless of location or size of community; distributed in a timely way that will allow for the most effective planning and use of each educational dollar.

- 6) Collaboration - because of societal issues outside of the realm of professional education that impact the ability of children to learn, both schools and state agencies must identify the resources available from other agencies, both state and private, that may be made available within the school environment to students, parents and teachers - in order to provide the most direct, appropriate and effective service.
- 7) Accountability - for every element that is brought forth through Alaska 2000 legislation, there should be an accountability requirement for establishing expected outcomes, benchmarks, monitoring, evaluating and reporting to the Legislature and the public so that there is assurance that the changes that are being made in our educational system at all levels are actually contributing to the "world class" education that is our ultimate goal.

The seven components listed above were those the group felt could be addressed through legislation. There are two other components, however, that are critical to educational success and without them none of the above will make any difference. They are 1) *the responsibility accepted by parents for taking an active role in their children's education*, and 2) *the personal responsibility that must be accepted by each student for putting in the effort and interest required to take full advantage of the opportunities provided for them by dedicated professionals and a caring society*. Somehow this message must be reinforced loudly and publicly.

With that preface, AASB respectfully submits the following recommendations, based on the concerns of all fifty-four school districts and shaped by the focus group to reflect statewide recommendations in response to the bills that have been submitted.

SB 61/HB 84 "Implementing Certain Recommendations of Alaska 2000"

Increase the School Term

We see this section as addressing the need to improve the delivery of educational programs. While agreeing with the identified need we would like to offer some alternative recommendations that may enhance that delivery even more.

While there is general agreement that the established 180 day year does not provide the amount of desired contact time with students, especially considering direct instruction time lost to in-service days and absences for extra-curricular activities, we would recommend that before legislating a longer school term the State Board and Department of Education *first develop clear educational*

standards, along with expected outcomes and means of assessment, so the legislature and the public will have a firm idea of what may be expected by additional days in a school term.

The cost of additional days has been estimated to be approximately \$3 million per day. Since research has provided evidence of the value of having children coming to the K-12 program ready to learn, we would recommend that the Legislature consider the overall value of providing funding to allow the *implementation of Early Childhood Education programs within the schools, available to all children regardless of income level, that will enhance the ultimate success of all our students.* A comparable amount of funding would go far for providing the required classroom space, qualified teachers and necessary curriculum and materials. The net effect would be more time in school, albeit in a different context.

Flexibility in Funding Grants for School Improvement

We generally support the changes to provide greater flexibility in grants for improvement of school performance, seeing this as a means for improving not only educational programs and school environment, but also the professionalism of our teaching staff.

To that end, we would recommend the addition of language to Section 4 that would *designate that a minimum of 50% of the available funds will be granted to teachers for research and development of classroom programs, with a provision that such grant applications would require the sign-off of their employing school district.*

Because Alaska is such a large state and many effective, transferable classroom practices are carried out in relative isolation, we would recommend that a grant requirement be added that would *cause the results of such grant projects to be routinely shared with other teachers statewide.*

Establishment of Advisory School Boards

Although obviously intended to provide for greater parental involvement in the schools, this section has raised some concerns about the possibility of inadvertently diminishing the enthusiasm and effectiveness of emerging volunteer parent groups such as PTA by mandating advisory boards that may be seen as a rigidly structured replacement. There is also concern expressed that the term "boards" may cause confusion regarding the respective governance responsibilities of local school boards and the advisory groups.

In response to these concerns, we would recommend a change to the proposed language in Section 8 that would allow greater flexibility in individual districts, while still recognizing the value of the involvement of parent groups. A suggested change might be to *change "advisory board" to "parent advisory committee" throughout the section. Also to change "A city or borough school*

district board shall [establish an advisory board] recognize or provide for a parent advisory committee at each school...."

Establishment of a Tenure Review Committee

While this section of the bill is intended to contribute to a higher standard of professionalism in the teaching profession, we feel the proposed review committee approach does not fulfill that intention. We agree with teachers that the importance of their responsibilities should be held on par with those even in the medical profession, and we believe that equal attention should be paid to requirements for professional preparation, supervision, evaluation and licensure. The current language in the bill does not adequately address any of those aspects.

We believe the proposal outlined below will establish a more rigorous standard for licensing of teaching professionals by providing the opportunity for professional growth, appropriate supervision and evaluation desired by both teachers and school boards, and sufficient time to demonstrate proficiency. We recognize that the establishment of this model will require more training in the supervision process and more time given to meaningful evaluation. This emphasis will have a corresponding cost to school districts in terms of staff time and to the state in terms of licensing procedures, but we believe that the ultimate assurance to the public that districts will employ the highest caliber professionals and that school improvement will occur will be worth the dollar cost.

Recommendation:

- *Current teacher certification requirements in Alaska will qualify applicants for a renewable two-year provisional certificate.*
- *School districts will be required to provide inservice training to provisionally certificated school employees as prescribed by law.*
- *School districts will provide a mentoring program designed to enhance the effectiveness of provisional certificated employees in the classroom and instructional settings.*
- *The Alaska Staff Development Academy, Department of Education and University of Alaska system will develop a licensure assessment and corresponding curriculum designed to evaluate the competence of provisional certificated employees.*
- *Provisional certificated employees will be required to pass the above mentioned licensure exam during the 2 year provisional period. Upon successful passage of licensure, the employee will receive a Type A certificate and would be eligible for tenure after two additional years of employment by a school district.*

- *Teachers who have received tenure under the current tenure laws will be "grandfathered" into the tenure system.*

Charter Schools

We believe the intent of the charter schools proposal is to encourage innovation in educational delivery and to address the diverse needs of the students in our schools. The larger urban districts are currently attempting to provide innovation and meet diverse needs through alternative schools or specially designed programs within their current curriculum. Smaller school districts have difficulty seeing how charter schools might be accomplished when there are limited physical facilities and resources available.

Nonetheless, we believe it is in the best interest of children to work with parents and teaching professionals who may bring forward ideas that lie beyond the traditional school structure and see the charter school proposal as a means of accommodating that.

In reviewing SB 61/HB 64 in its totality, and referring to the seven components of providing a world class education mentioned at the beginning of this paper, the focus group identified four other sections they wished to recommend for inclusion in this bill.

Master Teacher Certification

Our school districts employ professionals who will not only meet the standards set for their profession, but exceed them. To that end we would *recommend a designation for a Master Teacher Certification*. Requirements for this designation should be developed with the cooperation of teaching professionals; application for this certification could come from self-application or nomination by colleagues or supervising professionals. School districts employing teachers with this certification would be encouraged to provide additional rewards in the form of additional salary or bonuses, or incentive grants or paid sabbatical leaves for research and development purposes. We see the possibility of utilizing master teachers in each district, with their consent, to provide assistance for mentoring programs for new teachers working toward permanent licensure and tenure.

Additionally we would hope that such talent, dedication and mastery would be recognized by University teacher preparation programs and the Alaska Staff Development Academy by utilizing teachers with this designation as a talent bank for a training cadre or adjunct staff.

Technology

There is one overarching concern that affects the elements of school environment, professionalism of staff, and improvement of the educational programs that is missing from the Alaska 2000 legislation. If we expect our

educational system to produce students prepared to function in a world that runs on technology, then we need to directly address that issue in any meaningful effort directed at school reform. Technology impacts teacher preparation for the classroom, the way we design and deliver our curriculum, and the way we design and equip our classrooms.

To that end, we would recommend that a section of this bill include language that addresses the following:

- 1) *Standards shall be developed and updated regularly that identify the basic technology skills required for all students to be able to function in a world that depends on the use of technology.*
- 2) *Teacher certification and licensing will include an element of technology training, and district staff development will routinely include training relating to the use of technology for management and instructional delivery.*
- 3) *Basic technology equipment shall be identified for classrooms, and a fund shall be established to insure that all Alaska classrooms are equitably equipped.*
- 4) *The state shall establish a plan and fund for the use of an effective technology network to enhance learning in all classrooms in the state.*

Agency Collaboration

In a state that is looking at diminishing resources, it makes little sense to have multiple agencies engaged in running programs aimed at the same client, with little or no interfacing or collaboration. This type of effort results in duplication of services or sometimes in blocking of service delivery because of conflicting communication or regulations. Since societal ills impact children adversely and affect their ability to learn, it only makes sense that many of the social services provided by state and private agencies that are directed toward children and their parents be integrated with the efforts of teachers and their schools.

We recognize that considerable work and study has already been done in this regard through the Governors Interim Commission on Children and Youth (GICHY) and Children's Commission. We would *recommend that the Legislature, under the heading of Alaska 2000, re-establish a task force to review their findings and to establish concrete ways to promote closer collaboration between schools and social and medical agencies.* The findings and recommendations of this task force could be the basis for some real reform that would alter and improve the way we provide education and other services to children, and include their parents in the process.

Accountability

Here we would simply reiterate our *recommendation that for every reform measure that is passed by the Legislature under the heading of Alaska 2000, an element of accountability be included in the language.* The recommendations represent a departure from the traditional way our education system has operated in the past. We recognize that these changes often entail additional costs in terms of money, both to the state, to communities and to individuals. They entail shifts in thinking and additional man-hours from paid staff and volunteers. It's critical that adequate planning occur for every reform, to include expected outcomes, measurement criteria, monitoring, evaluation and reporting, so that the citizens of Alaska have the assurance that their resources are being used most effectively to educate their children.

SB 62/HB 85 "Relating to the Public School Foundation Program"

Alaska School Price Index

We believe the development of the Alaska School Price Index has done much to level the playing field for almost all of Alaska's school districts. With a few minor adjustments that can be made within the Department of Education, it will provide the equity in funding that has been the goal of previous foundation programs. *We would recommend that the Alaska School Price Index be recognized statute, not into regulation, as a means of protecting the total integrity of the formula. Additionally, to alleviate the need for continued requests for adjustments to address the effect of inflation on school district budgets, we would recommend that the legislation include language directing the Department of Education to submit annually its recommended unit value adjustment.*

The history of inequity with the single site school districts continues to be a concern, one which we hope can be mitigated and addressed within the new formula. *We would recommend consideration be given to district size, its non-dispersed nature and current enrollment figures, and that adjustments be made to mitigate the inadequate unit base for small single site school districts.*

We anticipate serious program and staffing problems that might occur for the districts that are being held harmless, if there is a sudden drop in funding at the end of the three year hold harmless period. *We would recommend that language be developed that will make it clear to the hold harmless districts that they must develop a plan to realign their programs, staffing and budgets to recognize the decrease in funding that will occur at the end of the 3 year hold harmless period.*

REVA SIRCEL

TCC

122 FIRST AVE.

FAIRBANKS, AK 99701

TANANA CHIEFS CONFERENCE, INC.

FEBRUARY 18, 1993

STATE OF ALASKA HOUSE BILL 84

HB 84

TESTIMONY

907/452-8231

My name is Reva Wulf Shircel. I am the Director of Education for the Tanana Chiefs Conference, Inc.

The TCC has many questions and concerns about the issues outlined in HB 84.

First, is there another effort being made to write a bill that specifically recognizes social and educational conditions in Alaskan Native villages? If so, who is doing that bill?

If not, why is there no explicit recognition of the special needs and conditions of Alaska Native Education clearly outlined in HB 84? We are especially concerned about the following sections:

Section 2. School Term. The 120 to 200 day school year being proposed does not recognize or honor the traditional subsistence activities by which most Alaskan Natives in villages still get food and cash, especially fishing, hunting and trapping. We believe that the school term should be centered around those subsistence activities.

Section 8. Advisory Boards in School Districts. The Advisory Board system ignores the fact that the most important change necessary in Native education is to put the control of the public school system from K-12 in policy hiring and firing, budget, tenure, curriculum, and attendance, into Native hands. The Advisory Boards are extremely ineffective as they are and the school boards need strong and clearly defined powers in all the above areas in the villages.

Section 9. Acquisition of Tenure Rights. No one new to Alaska rural life is going to be ready for tenure as a teacher after only two years. Many of our teachers come from outside of the state of Alaska. It takes them at least two years to adjust to village life. Five years or more should be the minimum time in the teaching position before tenure would even be considered. The issue of tenure needs further discussion by our villages.

Section 12. Establishment of Charter Schools. With all due respect to Commission Covey's explanation, I am still unclear about the issue of charter schools. First, where are such schools to be located in the villages? Will they be allowed to use the existing village public school facilities? If not, then are you requiring village people to pay taxes twice for educational facilities. If so, what happens to the regular school functions? Second, there is a need for Alaskan Natives to have a public school system that they have control over and one which is designed with the realities of village life and the existing economy, clearly in mind. The creation of yet another school bureaucracy seems to be an avoidance of the state of admitting the inadequacy of public schooling in the villages. It seems to be a way for the state to put the responsibility for adequate schooling on the local people rather than realizing that it is one of the central responsibilities of the state itself. The charter school proposal seems poorly planned, unnecessary, and a direction for further Native failure and frustration in public schooling. The issue of charter schools needs further discussion by our villages.

In conclusion, Section 1, Purpose, #1 is extremely vague, as is the rest of this section. Some parts of Alaska 2000 deal with Native education, some do not. It needs to be clearly stated and seen from the beginning whether the state is committing itself in any explicit, concrete way to improving the state educational system for Natives. This section as it stands, is too vague to be acceptable as a public statement of purpose.

Thank you very much for giving me this opportunity to make some comments on HB 84.

Memo

To: Representatives Brice, Bunde,
B. Davis, G. Davis, Kott, Nicholia,
Olberg, Toohy, Vezev
Fr: Kimberly Homme

I support the majority of the
recommendations of the
Alaska 2000 project. However,
the idea of tenure review boards
holding a political procession
of the public is an unworkable
way to increase desired
student performance outcomes.

This type of process should be
reserved for elected officials,
who are accountable to the
general public. Please

Slash this provision from CSHB84:

Teachers have a review process
currently that is frequent and
effective which may involve
parents, other teachers and admin-
istrators.

Sincerely,

Kimberly Homme
Kimberly Homme

2903 W. 29th Ave
Anch., AK 99517



Fairbanks Education Association

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

Friday, February 11, 1994

Dear Representative Cynthia Toohey,

I want to talk about two bills today and had planned on coming to this afternoon's teleconference, however, I have a severe sore throat and talking is becoming more difficult as the minutes pass. The importance of these two bills require me to comment regardless of how I feel physically.

First, CSHB 84, with regards to tenure. My biggest concern is that this idea of lengthening tenure is not for the purpose intended, which is to guarantee quality employees, but rather to increase the time that districts have to lay off non-tenured teachers for financial purposes. We have had in this state more than one district that did not handle their finances in a fiscally sound manner. With a two-year tenure process, districts have to pay close attention to their evaluation process to ensure they have quality teachers. Proper evaluation is one of the keys to quality teachers. Districts have complete control over evaluation.

Second, is HB 361, which appropriates sufficient funding for a \$61,000 instructional unit and fully funds transportation. I urge you to support this bill to allow districts to maintain funding as new students arrive. Teaching is a tougher job than most think. Federal, state, and local mandates continue to add to the already long list, more responsibilities to teachers without giving them adequate time to plan. When funding decreases and student population increases, student class sizes increase. With increase in class size, each individual student gets less individual help. If all students came in equally cared for maybe that wouldn't be a problem. Unfortunately, that's not the case. Students coming in to our classrooms are bringing with them an increasing number of problems. When funding decreases, solving those problems becomes more of a process of determining priorities. All students deserve equal attention and supporting this bill will begin to help alleviate the load.

I appreciate your attention to this matter and taking the time to read this letter.

Sincerely,

Alexander McFarlane



NEA-ALASKA

Affiliated with the National Education Association

HB 84 Position Paper

Some have come to believe that tenure is synonymous with lifetime employment. Nothing could be further from the truth. Competent and effective administrators with leadership and motivational skills have utilized tenure as an ally to develop innovative and challenging teaching staffs.

How? Tenure protects the freedom the academic community needs to impart knowledge and critical thinking skills to children. Tenure protects schools from becoming systems where the spoils of a bureaucracy are placed and practiced.

Over 20 years ago Alaska joined the mainstream of America by extending tenure to its teachers. Today tenure continues to accomplish its purpose by encouraging effective teaching in the various political climates existing in any school district during a person's career. But, at the same time teachers have been dismissed and non-renewed for incompetence, immorality, and failure to comply with the rules and regulations of school systems.

Administrators are necessary to the success of the process because they are trained to evaluate and develop teachers to accomplish the educational goals and plans of a school district. Administration is a demanding job. Those who enter educational management understand that many variables will attack their time. Good administration understands the need to develop the skills of the staff as the profession changes. They have the authority to coordinate resources such as money, other teachers and the instructional day to develop staff.

Although administrators are critical to the staff development/evaluation process, we continue to hear of career teachers who have never been evaluated. We hear of the first year teacher who on his/her first day is given a set of keys to his/her classroom, attends a staff meeting, but never sees a principal in his/her classroom for the rest of the year. We hear of teachers who ask for help from administrators who unfortunately give them no time and no attention. In cases like these, weakening tenure will not help administrators do better jobs. Also creating tenure review committees cannot do this because of lack of money, authority, time and staff needed to insure a successful staff development and evaluation program.

School are burdened with too many mandates from the local, state and federal levels. Both teachers and administrators are expected to do more but are allocated nothing to accomplish the expectations. Instead of working with school districts to help them restructure the time and job assignment of administrators to allow them to become instructional leaders, develop staff and implement evaluation programs the HESS Committee has before it another proposal to create a new bureaucracy to complicate the evaluation process and the system for achieving tenure. NEA-Alaska is concerned that making the evaluation process more cumbersome by creating tenure review committees will simply dilute time and personnel already critically stretched. Removing teachers from already overcrowded classrooms to serve on tenure review committees will be expensive and will simply add to overcrowding. The allocation of time to tenure review will be costly. Will school districts be expected to fund the cost associated with release time, staff development programs demanded by the tenure review committee, meetings, inservice-training etc.? A two tier tenure system will be confusing and divisive since teachers will be divided into one system or the other. Litigation can be expected. Will premiums to insure districts in the event of litigation by teachers against districts go up?

The problem is not tenure. Furthermore, the public doesn't believe tenure is a problem either if we believe results gathered last year by the Department of Education. The public's concern for tenure falls far below their concern for early childhood education, class size reduction and providing opportunities for at-risk children.

Professionally and publicly, we emphasize, tenure is not the problem. If we are to restructure school systems to empower teachers to prepare all children for the demands of an ever changing economy, three areas must be addressed. First, the system used to prepare teachers for the classroom must be improved; second, the process used to select teachers for employment should be reviewed, and third, the process and procedure used to evaluate and develop teachers must happen and must become a vehicle to empower teachers for the challenging opportunities that are before us. Failure to address these critical areas will simply miss the mark of providing substantive change designed to insure that the children of Alaska are taught by the best.

NEA-Alaska opposes CSHB 84 because it simply will create two tenure systems and does nothing to insure that administrators are provided the time to do the demanding jobs they are hired to do -- be instructional leaders Alaska will need to meet the demands of the new century.

February 8, 1994

Anchorage Education Association



Affiliated with The National Education Association
1411 West 33rd Avenue, Anchorage, Alaska 99503 (907) 274-0536

March 14, 1994

Dear House Judiciary Committee,

I am writing to you regarding the bill on Teacher Tenure, CSHB 84. The members of the Anchorage Education Association are very concerned about several provisions of CSHB 84. Specifically, we are opposed to the lengthening of time to acquire tenure and the creation of tenure review committees.

Presently school districts have two years to evaluate new district employees to determine if they are performing well in their classrooms. This is not a short time period. Administrators need only to do their observations in a timely manner. If there is a problem with the present system, it is that administrators do not evaluate their new teachers. It would seem that you should focus your attention on administrators systematically evaluating their new teachers, rather than asking all districts to lengthen the time for tenure. Adequate evaluation is the key to improved teacher competency, not lengthened tenure probation.

Additionally, CSHB 84 attempts to put in place tenure review committees which would make tenure a whim to be reviewed by people who may or may not have evaluation experience. Also, in a large district, such as Anchorage, the thought of 84 review committees is mind boggling. This part of the bill is cumbersome and would not provide a needed component to tenure. In a time when we need to cut back on the bureaucratic red tape regarding schools, you are considering adding another "committee" structure to address tenure review.

It is time for your committee to address the real needs of schools. We need to have schools fully funded. We need laws that adequately allow for schools and police departments to communicate about dangerous students. We need state funding of inclusion students at a level that helps compensate support for the regular program with the increased demands of these students.

Thank you for consideration of these thoughts.

Rob Pfisterer
President, Anchorage Education Association

Anchorage Education Association



Affiliated with The National Education Association
1411 West 33rd Avenue, Anchorage, Alaska 99503 (907) 274-0536

January 31, 1994

Health, Education and Social Services Committee
Alaska State Legislature
State Capitol
Juneau, Alaska 99801-1182

Dear HESS Committee,

I am strongly opposed to the changes in tenure suggested in HB 84. The changes are wrong for several reasons:

- 1) The changes would not accomplish the stated intent. If districts are interested in removing teachers who are not adequately performing their professional duties, they need to adequately evaluate their performance.
- 2) The creation of tenure review boards would not make districts more accountable. Consider the implications upon a district such as Anchorage. Each school (84) would have tenure review boards, or one large board to cover 84 schools. This would be cumbersome and highly inefficient. Additionally the thought that teachers would have to face this group every five years is very punitive in nature. You would be creating a "monster" for large districts.
- 3) Another bad part of tenure review is the fact that it makes tenure really nothing. It is once again a negative way of addressing "supposed" educational failings. If you want to address "bad" teaching, do so. Tenure never has protected a bad teacher. This so called review committee will really end up being a method for small schools to get rid of teachers for reasons other than their teaching abilities. I am very suspicious of the intent of this bill. For too long the media has played up the negative side of education in this state and country. Many of us would like to build upon the positive side of the picture, but why should a teacher want to put forth effort at reforming education when much of what is proposed is negative in nature. It is a little like judging the Alaska Legislature by what the press reported on the Senator Jacko case last year and this. Would you therefore suggest that all legislators should only serve two terms because it is evident that they are less than ethical? I certainly do not believe so. There is a process to deal with poor legislators and those that are unethical, just as there is a process to deal with poor teachers.

It is time for the legislators to deal with the real problems of Alaska's educational system. These are mainly 1) increasing educational funding to levels that take into account actual increased costs of operating districts, 2) providing adequate housing for Alaska's school children, 3) providing laws that allow school staff and police to communicate about known violent students entering and within

our schools, and 4) making certain that all of our children learn in small classes (20 in elementary, 25 in secondary) so they can be successful in school and ready to lead us in the 21st Century.

If you addressed these issues with as much vigor as some in the legislature address the negative education bills, we would be much further down the road to educating our children.

Respectfully,



Rob Pfisterer
President, Anchorage Education Association

HB 84

P.O.Box 82330
Fairbanks, Alaska 99708
February 21, 1993

State Capitol
Juneau, Alaska 99801-1182

Re: House Bill 84 and Senate Bill 61

Dear Representative Toohy,

We are taking the time to write this letter because a POM cannot address the many faults and shortcomings of these bills.

1) Sec. 2, AS 14.03.030 and Sec 3, AS 14.03.030

Lengthening the school year from the current 180 day term to 200 school days per year over a five year period is a questionable proposal. In an era of declining oil revenues, where and how will the State obtain additional revenues to cover the additional expenses for a longer school year? Will teachers, school office staff and school custodians receive appropriate pay increases each year for working additional days? Adding 20 days to the current 180 day school year is an increase of 11.11% in total hours worked by teachers, school office staff and school custodians. Is the State going to guarantee additional pay for these additional work days? Also, where and how will funds for increased heating, electrical, phone, transportation (school buses), etc. be obtained? Will the State pay 100% of these costs?

Unless the State is willing to pay 100% of all costs associated with increasing the school year for each and every school district in Alaska, we are opposed to increasing the school year. The taxpayers in the Fairbanks area can not afford to pay more taxes to support our local school system.

2) Sec 4 AS 14.03.125(a); Sec 5 AS 14.03.125(b); Sec 6 AS 14.03.125(c) and Sec 7 AS 14.03.125

Almost every teacher in Alaska is committed to providing the best educational experience possible for their students. We can improve school performance without resorting to using a grant program. Instead of setting up this grant program and wasting time and money on administration to write regulations, review grants, audit awarded grants and evaluate completed grants, spend this money and all grant funds on improving education for all students.

One simple approach would be to reduce the number of students in elementary classroom to 15 students per classroom for grades K-3 and 18-21 per classroom for grades 4-6. There are hundreds of studies and reports containing many recommendations on how to improve schools and teaching. Common to these studies and reports is the conclusion that smaller class size is the best method to improving education. Let's use existing studies to improve education and stop wasting money on trying to reinvent effective classrooms.

We are against this grant program. The only ones who will benefit will be the grant recipients. It is not the most effective use of educational funds nor the most effective use of teacher time.

3) Sec 8 AS 14.12.035

Our schools do not need another layer of administrative oversight and review with a prescribed set of operating rules and regulations. Schools funds are tight and to waste money on additional and redundant administrative levels is foolish.

4) Sec 9 AS 14.20.150; Sec 10 AS 14.20.151 and 14.20.152 and 14.20.153 and 14.20.154

First, NO 16 or 17 year old student is qualified to set on a review committee that can grant or deny tenure for an adult. Second, the parents, teachers, and principal of the school in which a non-tenured teacher works are the best qualified to determine the granting of tenure. Currently, their recommendations can be given directly to the local school board.

It is unfortunate that the designers of Alaska 2000 chose to recommend another layer of administrative oversight and review as a means to improve teaching skills and student achievement. Spend these funds on improvements in the classroom (class size, materials, computers) not on questionable administrative costs.

We recommend that the current tenure laws remain as is.

5) Sec 12 Establishment of Charter Schools and Sec 13,14,15,16,17,and 18

Will we improve education for all students by establishing charter schools? The answer is a resounding NO!

Improvements in educating our children, student learning and student social interaction can be achieved by implementing the recommendations of numerous studies on education: smaller classes; up-to-date textbooks with supportive hands-on material for every student; parent

Involvement; after school activities and clubs; breakfast and lunch programs for all students who want to participate; programs that challenge gifted students; programs for slower learning students, etc.

We must look at those who want charter schools and why they want this program. Backers of charter schools are strong supporters of the voucher system and the right of parents to send their children to public or private schools. Please remember private schools are private. They can and do screen the students that they will accept and continue to enroll in following years. It is not appropriate to use public funds for private schools!

We feel that public education can be greatly improved by implementing the recommendations of existing studies on ways to improve public education. Please, don't waste money on trying to reinvent the classroom. Instead, work to improve our existing public school system.

In closing, we cannot support these bills and strongly recommend that you vote against them. Thank you for taking the time to read this letter. Should you have questions, please call (907-455-6211) or write.

Sincerely,



Robert Ault



Lynda Ault

HB 84

TESTIMONY TO HESS ON HB 84

Carole C. Evans
1212 Farmers Loop Road
Fairbanks, Alaska 99709
February 18, 1993

I am speaking in opposition to the recommendations that are before you in this bill. I am pleased that Alaska 2000 has helped the public understand and address the need for change and reform in education. As a teacher, I have long felt frustrated with the lack of support and unwillingness of our leaders to focus on the needs of students in this nation. At least we have started talking the talk that is necessary to get us moving toward true reform.

Real reform is imperative, and it is exciting! I have spent most of this week with a group of teachers from Lathrop High School who have been charged with creating a vision and a plan that will revolutionize the way we deliver education to our students in the future. We are excited, energized, and optimistic as we are breaking old paradigms and looking at new and better ways to reach our students. It is grant money, not educational funding, that is providing us release time in order to tackle this challenge. We are professionals who really understand where we are currently and who have a dream for what we can do in order to create students who have a passion for learning and who are committed to excellence; students who are risk-takers, able to tackle whatever their future holds because they have learned critical thinking, cooperative learning and problem solving skills. It is so exciting to look at how we can make changes that will truly revitalize our school and allow us to meet the challenges of the future.

The changes that are necessary will not happen by adding state regulations and more hoops for educators to jump through. The changes that are necessary in public education will not happen by increasing the length of the school year. They will come by increasing the ability of the professionals to make substantive changes and by increasing our staff development. To add another month to the year is not the answer. It is absurd to say there is no fiscal note attached to this Alaska 2000 recommendation. It will cost. Spend that money on release time for teachers or funding for technology or improving facilities. To merely add days with no plan or purpose is not productive.

Adding a layer to the tenure process is not an answer to educational reform. We want teachers who have a passion for teaching, not who have to feel paranoid and persecuted by the threat of offending someone who might terminate their employment. Teachers would never be able to address a controversial topic or take a hard line with a student. This would cripple a teacher's academic freedom, and I believe it would be an enormous cloud that would discourage and demoralize good teachers.