

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 8672

10215 HOUSE HEALTH EDUCATION & SOCIAL SERVICES

90 (June 30, 1999) (North Carolina); R.I. Gen. Laws 27-18-57, 27-19-48, 27-20-43, 27-41-59 (Rhode Island); 8 Vt. Stat. Ann. 4099c (Vermont). Insurance plans offered to federal employees must meet similar requirements. P.L. 106-58, 113 Stat. 430 (Sept. 29, 1999).

4. 42 U.S.C. 2000e(k).

5. *Int'l Union, UAW v. Johnson Controls*, 499 U.S. 187, 199, 211 (1991).

6. 42 U.S.C. 2000e(k).

7. H.R. Rep. No. 948, 95<sup>th</sup> Cong., 2d Sess. 3 (1978) ("[t]he assumption that women will become pregnant and leave the labor force leads to the view of women as marginal workers, and is at the root of the discriminatory practices which keep women in low-paying and dead-end jobs"); *see also id.* at 6-7; 123 Cong. Rec. 29,385 (1977) (statement of Senator Williams, chief sponsor of the Senate bill that led to the PDA) ("[b]ecause of their capacity to become pregnant, women have been viewed as marginal workers not deserving of the full benefits of compensation and advancement . . .").

8. H.R. Rep. No. 948, 95<sup>th</sup> Cong., 2d Sess. 5 (1978).

9. 124 Cong. Rec. H38,574 (daily ed. October 14, 1978) (statement of Rep. Sarasin, a manager of the House version of the PDA).

10. *See, e.g.*, 29 C.F.R. Part 1604, App. Introduction ("any health insurance provided must cover expenses for pregnancy-related conditions on the same basis as expenses for other medical conditions").

11. *See* Respondents' Summary Plan Description at, *e.g.*, pp. 87, 90, 112, 137.

12. Letter from Respondents to EEOC, June 22, 2000.

13. *See, e.g., Equity in Prescription Insurance and Contraceptive Coverage Act 1998: Hearings on S. 766 before the Senate Committee on Labor and Human Resources*, 105<sup>th</sup> Cong., 2d Sess. 25 (1998) (statement of Richard H. Schwarz, M.D.); 144 Cong. Rec. S9,194 (daily ed. July 29, 1998) (statement of Senator Snowe) (there is "nothing 'optional' about contraception. It is a medical necessity for women during 30 years of their lifespan. To ignore the health benefits of contraception is to say that the alternative of 12 to 15 pregnancies during a woman's lifetime is medically acceptable.") (quoting statement by American College of Obstetricians and Gynecologists).

14. In addition, Respondents cover Viagra where patients complain about "decreased sexual interest or energy," whether or not the individual has been diagnosed as impotent. Letter from Respondents to EEOC, August 25, 2000. Respondents' assertion that their plan covers treatments only for abnormal medical conditions is not credible in light of these facts.

15. Letter from Respondents to EEOC, June 22, 2000.

16. 29 U.S.C. 1144(a) (setting forth basic rule of preemption of state law); 1144(d) ("[n]othing in this subchapter shall be construed to alter, amend, modify, invalidate, impair, or supersede any law of the United States . . . or any rule or regulation issued under any such law"); *see also Shaw v. Delta Airlines*, 463 U.S. 85 (1983) (state laws that are co-extensive with federal laws are not preempted by ERISA).

17. Letter from Respondents to EEOC, April 19, 2000.

18. See, e.g., Statement of Senator Williams, floor manager of the PDA, reprinted in "Legislative History of the Pregnancy Discrimination Act of 1978," at 63, 64 (1980) (identifying "significant cost factor[s]" that would be incurred by employers, but noting that "the committee found that the cost of equal treatment of pregnancy has been greatly exaggerated"); H. Rep. No. 95-948, 95<sup>th</sup> Cong., 2d Sess. 10 (1978) (discussing anticipated costs of complying with PDA). In any event, the costs of contraception are low. See Alan Guttmacher Institute, *Cost to Employer Health Plans of Covering Contraceptives* (June 1998) (estimating that average added cost to employers of covering contraceptives is \$1.43 per employee per month). Moreover, studies -- and common sense -- show that the financial costs associated with childbirth are much greater than the costs of many years of contraception. See Law, *Sex Discrimination and Insurance for Contraception*, 73 Wash. L. Rev. 363, 365 & n. 13 (1998) (citing studies). Even if a cost defense were available as a matter of law, therefore, Respondents would be unlikely to be able to cost-justify the exclusion of contraceptives.

19. See *Arizona Governing Committee v. Norris*, 463 U.S. 1073, 1085 n. 14 (1983) (in enacting the PDA, Congress decided "to forbid special treatment of pregnancy despite the special costs associated therewith . . ."); *Newport News Shipbuilding and Dry Dock Co. v. EEOC*, 462 U.S. 669, 683 n. 26 (1983) ("no [cost] justification is recognized under Title VII once discrimination has been shown").

20. Letter from Respondents to EEOC, June 22, 2000.

21. This is the rationale that was set forth by the dissenters in *General Electric Co. v. Gilbert*, 429 U.S. 125 (1976), and adopted by Congress in passing the PDA. See *Gilbert*, 429 U.S. at 149 (Brennan, J., dissenting) ("it offends common sense to suggest that a classification revolving around pregnancy is not, at the minimum, strongly 'sex related'"); *id.* at 162 (Stevens, J., dissenting) (special treatment of pregnancy is sex discrimination because it is "the capacity to become pregnant which primarily differentiates the female from the male"); H.R. Rep. No. 948, 95<sup>th</sup> Cong., 2d Sess. 2 (1978) (adopting reasoning of dissenters). See also *Newport News Shipbuilding and Dry Dock Co. v. EEOC*, 462 U.S. 669, 676 (1983) ("Congress, by enacting the [PDA], not only overturned the specific holding in [*Gilbert*], but also rejected the test of discrimination employed by the Court in that case"); *California Federal Savings & Loan Ass'n v. Guerra*, 479 U.S. 272, 284 (1987) (in enacting the PDA, Congress "unambiguously expressed its disapproval of both the holding and the reasoning of the Court in" *Gilbert*) (citation omitted).

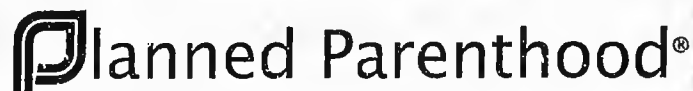
22. Of course, as has been recognized by legal commentators, an employer's exclusion of contraceptives can also be challenged on disparate impact grounds. Law, *Sex Discrimination and Insurance for Contraception*, 73 Wash. L. Rev. 363, 373-76 (1998). Based on the analysis in text, however, it is unnecessary to address application of the disparate impact theory here.

---

*This page was last modified on December 14, 2000.*



[Return to Home Page](#)



Federation of America, Inc.

# Fact Sheet

Published by the Katharine Dexter McCormick Library  
Planned Parenthood Federation of America  
810 Seventh Avenue, New York, NY 10019  
212-261-4779  
[www.plannedparenthood.org](http://www.plannedparenthood.org)

Current as of July 2000

## Equity in Prescription Insurance and Contraceptive Coverage

Nearly half of all pregnancies in the United States are unintended, and more than half of all unintended pregnancies end in abortion (Henshaw, 1998). Contraceptives have a proven track record of enhancing the health of women and children, preventing unintended pregnancy, and reducing the need for abortion. However, although contraception is part of basic health care for women, far too many insurance policies exclude this vital coverage.

In fact, while most employment-related insurance policies in the United States cover prescription drugs in general, the vast majority do not include equitable coverage for prescription *contraceptive* drugs and devices (AGI, 1994). Similarly, while most policies cover outpatient medical services in general, they often exclude outpatient *contraceptive* services from that coverage (AGI, 1994). This failure is costly, both for insurers who may have to pay for either maternity care or abortion, and the families whose physical and financial well-being is threatened by unintended pregnancy and lack of access to equitable coverage for contraceptives.

Efforts were already underway to address the inequity in prescription coverage for women when Viagra<sup>®</sup>, a drug used to treat erectile dysfunction, was introduced on the U.S. market in the spring of 1998. Within two months of its entrance into the U.S. market, more than one half of the prescriptions for Viagra received insurance coverage. Such coverage has yet to be extended to intrauterine devices (IUDs) or diaphragms (Goldstein, 1998), prompting national organizations such as the American College of Obstetricians and Gynecologists and Planned Parenthood Federation of America to condemn the gender bias in prescription coverage.

### In Congress:

In 1998, PPFA won a major legislative victory with the enactment of a contraceptive coverage requirement in the Federal Employees Health Benefits Plan (FEHBP). This provision is based on amendments to the Treasury-Postal Service appropriations bill (H.R. 4104), sponsored by Representative Nita Lowey (D-NY) in the House and Senators Olympia Snowe (R-ME) and Harry Reid (D-NV) in the Senate. The provision guarantees coverage of prescription contraceptive drugs and devices for federal employees by all plans participating in the FEHBP that cover other prescription drugs and devices. Contraceptive coverage for federal employees was again included in the FY 2000 *Treasury and General Government Appropriations Act* signed into law by President Clinton on September 29, 1999 (PL 106-58).

Last session, Senators Olympia Snowe (R-ME) and Harry Reid (D-NV) and Representatives James Greenwood (R-PA) and Nita Lowey (D-NY) reintroduced the *Equity in Prescription Insurance and Contraceptive Coverage Act* (EPICC) to provide equity in insurance coverage for contraception in the private market. The bill simply seeks to establish parity for contraceptive prescriptions and related medical services within the context of coverage already guaranteed by each insurance plan.

Under this legislation, plans already covering prescription drugs and devices would include equal coverage for prescription contraceptive drugs and devices. Also, plans that include coverage for outpatient medical services would include outpatient contraceptive services in that coverage. The bill defines contraceptive services as "consultations, examinations, procedures, and medical services, provided on an outpatient basis and related to the use of contraceptive methods (including natural family planning) to prevent an unintended pregnancy." (S. 1200, 1999; H.R.2120, 1999)

#### **In the States:**

In 1998, Maryland became the first state to enact a law requiring health insurers to provide comprehensive coverage of all contraceptives approved by the U.S. Food and Drug Administration (Mantus, 1999). Since then, 12 more states — California, Connecticut, Delaware, Georgia, Hawaii, Iowa, Maine, Nevada, New Hampshire, North Carolina, Rhode Island, and Vermont — have enacted contraceptive equity laws. Approximately half of all state legislatures have considered bills to improve insurance coverage of contraception each year since 1998. These bills generally require that insurers providing coverage for prescription drugs include coverage for FDA-approved prescription contraceptive drugs and devices — along with associated medical services such as exams, insertion, and removal.

#### **While plans routinely cover other prescriptions and outpatient medical services, contraceptive coverage is meager or nonexistent in many insurance policies.**

- Half of indemnity plans and Preferred Provider Organizations (PPOs), 20 percent of Point of Service (POS) networks, and 7 percent of Health Maintenance Organizations (HMOs) cover *no* reversible contraception (AGI, 1994).
- In 1998, less than two months after Viagra entered the U.S. market, more than half of all prescriptions received some insurance reimbursement. Overall coverage for oral contraceptives did not reach this level until they had been on the market for almost 40 years — coverage for diaphragms and IUDs still lags far behind (Goldstein, 1998).
- Even plans that do provide *some* coverage typically do not cover all of the five most commonly used reversible contraceptive methods (oral contraceptives, the IUD, diaphragm, Norplant<sup>®</sup> and Depo Provera<sup>®</sup>). Less than 20 percent of traditional indemnity plans and PPOs, and less than 40 percent of POS networks or HMOs routinely allow women to choose among these five contraceptive methods (AGI, 1994).
- Coverage of prescription drugs usually does not even include coverage for oral contraceptives, the most commonly used reversible contraceptive method in the United States. Although 97 percent of typical indemnity policies cover prescription drugs in general, only 33 percent include oral

contraceptives in that coverage. This leaves two-thirds of typical indemnity plans covering "prescription drugs" but not the prescription so many women need access to — oral contraceptives (AGI, 1994).

**Contraception is basic health care for women, and a critical contributor to improved maternal and child health.**

- Ready access to contraceptive-related health services increases the likelihood that the estimated 15 million Americans who contract sexually transmitted infections each year will be diagnosed and treated (KFF, 1998).
- As they help women avoid unplanned pregnancies, contraceptive services help women *plan* pregnancies. A study of 45,000 women suggests that women who used family planning services in the two years before conception were more likely than women who had not used such services to receive early and adequate prenatal care (Jamieson & Buescher, 1992).
- The National Commission to Prevent Infant Mortality estimated that 10 percent of infant deaths could be prevented if all pregnancies were planned — in 1989 alone, 4,000 infant lives could have been saved (1990).

**Insurers have relied on women and their families paying out of pocket for contraceptive services and supplies, forcing financial decisions that may result in the use of less effective or less medically appropriate contraceptive methods.**

- Women of reproductive age currently spend 68 percent more in out-of-pocket health care costs than men (WREJ, 1994). Much of the gender gap in expenses is due to reproductive health-related supplies and services.
- The more effective forms of contraception are generally also the most expensive, often costing hundreds of dollars at the onset of patient use (AGI, 1994). Women and their families who must pay out of pocket may well opt for less expensive and sometimes less effective methods, increasing their risk for unintended pregnancies.
- Cost analyses have shown that if health insurance policies were to include coverage for these contraceptive supplies, costs to employers would be minimal — as little as \$1.43 per employee per month (Darroch, 1998).

**The correlation is clear. Contraception prevents unintended pregnancy, helps women plan their pregnancies, and reduces the need for abortion.**

- In any single year, 85 of 100 sexually active women of reproductive age not using a contraceptive method become pregnant. In contrast, of 100 oral contraceptive users, only between 0.1 and 5 percent become pregnant during the first year of use (Russell *et al.*, 1998).

- Because the likelihood of pregnancy is so great when contraception is not used, 53 percent of all unintended pregnancies in the U.S. occur among the 10 percent of fertile women who use no method and leave pregnancy to chance (Harlap *et al.*, 1991).
- Reducing unintended pregnancy is key to reducing the number of abortions — more than half of unintended pregnancies end in abortion (Henshaw, 1998).

### Cited References

- AGI — Alan Guttmacher Institute. (1994). *Uneven and Unequal: Insurance Coverage of Reproductive Health Services*. New York: The Alan Guttmacher Institute.
- Darroch, Jacqueline. (1998). *Cost to Employer Health Plans of Covering Contraceptives*. New York: The Alan Guttmacher Institute.
- Equity in Prescription Insurance and Contraceptive Coverage Act of 1999*, S. 1200; H.R. 2120, 106<sup>th</sup> Cong., 1<sup>st</sup> Sess. (1999).
- Goldstein, Amy. (1998, May 20). "Viagra's Success Fuels Gender Bias Debate: Birth Control Advocates Raise Issue." *Washington Post*, p. A1.
- Harlap, Susan, et al. (1991). *Preventing Pregnancy, Protecting Health: A New Look at Birth Control Choices in the United States*. New York: The Alan Guttmacher Institute.
- Henshaw, Stanley K. (1998). "Unintended Pregnancy in the United States." *Family Planning Perspectives*, 30(January/February), 24–29.
- Jamieson, Denise J. & Paul A. Buescher. (1992). "The Effect of Family Planning Participation on Prenatal Care Use and Low Birth Weight," *Family Planning Perspectives*, 24(September/October), 214–218.
- KFF — Kaiser Family Foundation. (1998). *Sexually Transmitted Diseases in America: How Many Cases and at What Cost?* Menlo Park, CA: Kaiser Family Foundation and the American Social Health Association.
- Mantius, Peter. (1999, April 20). "Health Agency Created As Barnes Combines Divisions." *Atlanta Constitution*, p. C2.
- National Commission to Prevent Infant Mortality. (1990). *Troubling Trends: The Health of America's Next Generation*. Washington, D.C.: NCHM.
- PL 58, 106<sup>th</sup> Cong. 1<sup>st</sup> sess. (September 29, 1999). *Treasury and General Government Appropriations Act, 2000*.
- Postrel, Virginia. (1999, May 31). "Sex Mandates Looking Forward." *Forbes*, p. 121.
- Trussell, James, *et al.* (1998). *Contraceptive Technology*, 17<sup>th</sup> ed. New York: Ardent Media.
- WREI — Women's Research and Education Institute. (1994). *Women's Health Care Costs and Experiences*. Washington, D.C.: WREI.

Media Contacts — New York: 212-261-4660 / Washington, DC: 202-973-6397

Public Policy Contact — Washington, DC: 202-785-3351

The Insurance Guide **Consumer** Professional

Front Page Today Annuities Auto Business Health Home Life Ratings

Insurance Company Guide Car Crashes Lawsuit Library Sept. 11 Reader Forums

Search the site Tools Insurance in your state

Auto: Crash tests Choose your state

Instant Auto Insurance Quote

Agent Find

Get a Quote!

Instant Insurance Quotes From Over 300 Companies. [Click Here](#)

Auto Life Health  
Quotesmith.com

## Pill bills: States that mandate contraceptive equality

By insure.com

All the hubbub over whether or not health insurers should pay for Viagra, the drug that can cure male impotency, has had an unintended side effect: It's brought to light the fact that many health plans do not cover contraceptives.

Only 15 percent of large group insurers cover the five most common reversible forms of contraception — oral contraceptives, diaphragms, Depo Provera, intra-uterine devices (IUDs), and Norplant — according to the Center for Reproductive Law and Policy.

Contraceptive-equity legislation — sometimes known as "pill bills" — improves women's access to contraceptive coverage. Women who are covered under "pill bills" can get health insurance payments for the costs of contraceptive prescriptions and services to the same extent that other medical prescriptions and services are covered.

Proposed laws vary from state to state but the best laws do three things:

- Include all types of insurance plans.
- Meet a wide range of contraceptive needs by covering medical appointments and all FDA-approved drugs and devices — including oral contraceptives (birth control pills), injectable contraceptives (i.e. Depo Provera), contraceptive implants (i.e. Norplant), diaphragms, IUDs, cervical caps, and emergency contraception (which prevents pregnancy after unprotected sex).
- Do not contain loopholes that weaken the law and discriminate against women by permitting employers or health insurance plans affiliated with religious organizations to refuse coverage based on

Term Guarant Life In Instar Co 250,C

Plan Year 20

Gender M

Birthdat

Height

Priv N

Get

Travel Insurance

Add more coverage to your favorite

Flexible Consumer membership

Travel account services

Travel insurance

Travel insurance

ensight Long term care

their own anticontraceptive religious dogma.

Here is a list of current and pending legislation for contraceptive equity as of November 2001.

State	Year passed	Bill description	Effective date
California	1999	Requires individual and group health insurance policies that already cover prescriptions to provide FDA-approved prescription contraception; exempts certain religious employers for whom "the inculcation of religious values is the purpose of entity." The religious entity must also meet the requirements of nonprofit status as defined by the IRS.	Jan. 1, 2000
Connecticut	1999	Requires individual and group health insurance policies that already cover prescriptions to provide FDA-approved prescription contraceptives; exempts certain "religious employers," as defined in IRS Code, from requirement as well as certain insurance companies and providers that are "owned, operated or substantially controlled by a religious organization which has religious or moral tenets that conflict" with contraceptive coverage.	Oct. 1, 1999
Delaware	2000	Requires insurance coverage for all FDA-approved prescription contraceptive drugs and devices. A religious employer may request exemption from coverage under the policy, plan, or contract if the required coverage conflicts with the organization's religious beliefs. A religious employer that obtains an exemption shall provide its employees "reasonable and timely notice" of the exclusion.	June 7, 2000
Georgia	1999	Requires every health benefit	July 1,

		plan that already covers prescriptions to provide FDA-approved prescription contraceptives.	1999
Hawaii	1990	Requires employer group health policies that cover pregnancy-related services to provide FDA-approved prescription contraceptives; exempts all entities within a narrowly defined religious exemption but also requires that employees of exempt organizations be eligible to purchase contraceptive coverage at a low cost.	Jan. 1, 2000
Iowa	2000	Requires every health plan benefit plan that already covers prescriptions to provide FDA-approved prescription contraceptives, as well as outpatient contraceptive services.	July 1, 2000
Maine	1999	Requires insurance policies that provide coverage for prescription drugs or outpatient medical services to provide coverage for FDA-approved prescription contraceptives; exempts certain narrowly defined tax-exempt "religious employers," as defined in IRS Code.	March 1, 2000
Maryland	1998	Requires insurance policies that provide coverage for prescription drugs to provide coverage for FDA-approved prescription contraceptives (including removal); exempts religious organizations if such coverage conflicts with its "bona fide religious beliefs and practices."	Oct. 1, 1998
Missouri	2001	Requires health benefit plans that provide coverage for pharmaceutical benefits to provide coverage for all FDA-approved prescription contraceptives; exempts any	Jan. 1, 2002

		health carrier owned, operated, or controlled by an entity that is opposed to the use of contraceptives pursuant to their "moral, ethical, or religious beliefs." Health benefit plans that exclude coverage must provide written notice in informational materials.	
Nevada	1999	Requires insurance policies that provide coverage for prescription drugs to provide coverage for FDA-approved prescription contraceptives and hormone-replacement therapies; exempts insurers "affiliated with a religious organization" if they object to coverage "on religious grounds."	Oct. 1, 1999
New Hampshire	1999	Requires every health benefit plan that already covers prescription drugs to provide FDA-approved prescription contraceptives, as well as outpatient contraceptive services.	Jan. 1, 2000
New Mexico	2001	Requires health insurance policies that provide coverage for prescription drugs to provide coverage for FDA-approved prescription contraceptives; allows "religious entities" that purchase health insurance coverage to elect to exclude prescription contraceptives.	June 19, 2001
North Carolina	1999	Requires insurance policies that provide coverage for prescription drugs to provide coverage for FDA-approved prescription contraceptives; provides religious exemption. Exempts emergency contraceptives.	Jan. 1, 1999
Rhode Island	2000	Requires individual and group health insurance policies that already cover prescriptions to provide FDA-approved prescription contraception and exempts certain "religious	July 8, 2000

		employers." However, every employer invoking the exemption must provide written notice to prospective enrollees, prior to enrollment with the plan, listing the contraceptive health care services the employer refuses to cover for religious purposes.	
Texas	2001	Requires health benefit plans that provide coverage for prescription drugs to provide coverage for all FDA-approved prescription contraceptives; exempts any health benefit plan issued by an entity associated with a religious organization, or any physicians or health care provider under the health benefit plan if such service "violates the religious convictions of the organization," unless contraceptive coverage is necessary to preserve the life or health of the woman. Health benefit plans that limit or exclude coverage must provide written notice in informational materials.	Sept. 1, 2001
Vermont	1999	Requires insurance policies that provide coverage for prescription drugs to provide coverage for FDA-approved prescription contraceptives, devices, and sterilization.	July 1, 1999
Washington	2001	Requires all plans regulated by the insurance commissioner that offer prescription drug benefits to cover prescription contraceptives. The rule also requires coverage for "medical services associated with prescribing, dispensing, delivery, distribution, administration, and removal" of contraceptives to the same extent as other outpatient services.	Jan. 1, 2002

Source: Center for Reproductive Law and Policy

Last updated Nov. 27, 2001

Related information:

- Get an instant health insurance quote! ▲
- Health Insurance Laws and Benefits Tool
- Newborns' and mothers' rights
- Paying the price for infertility
- More health insurance stories ▼ | Go

Instant Insurance Quotes From Over 300 Companies. [Click Here](#)

Auto	Life	Health
<b>Quotesmith.com</b>		

# THE COALITION FOR PRESCRIPTION EQUITY

## MEMBER AGENCIES

**Alaska Chapter – American College of Nurse Midwives (ACNM)**

**Alaska Emergency Contraception Project**

**Alaska Health Education Consortium (AHEC)**

**Alaska Nurse Anesthetists Association**

**Alaska Nurse Practitioners Association (ANPA)**

**Alaska Nurses Association (ANA)**

**Alaska Pharmaceutical Association**

**Alaska State Medical Association (ASMA)**

**Alaska Women's Health Services**

**Alaska Women's Lobby**

**Alaska Women's Resource Center**

**American Association of University Women (AAUW)**

**American College of Obstetrics and Gynecology (ACOG)**

**Anchorage Education Association (AEA)**

**Anchorage Women's Commission**

**Anchorage Women's Political Caucus**

**Business and Professional Women (BPW)**

**Central Peninsula Counseling Services**

**Kachemak Bay Family Planning Clinic**

**League of Women Voters of Alaska**

**Mental Health Association in Alaska**

**National Alliance for Mentally Ill (NAMI) – Anchorage**

**National Organization of Women (NOW) – Anchorage**

**Planned Parenthood of Alaska**

**Sitka Medical Center**

**Sitkans Against Family Violence**

**Standing Together Against Rape (STAR)**

**YWCA**

**Subject: [Fwd: HB 313]**

**Date:** Thu, 07 Feb 2002 18:03:29 -0900

**From:** Representative Fred Dyson <Representative\_Fred\_Dyson@legis.state.ak.us>

**To:** Jason Hooley <Jason\_Hooley@legis.state.ak.us>

for your records.  
~gayle

---

**Subject: HB 313**

**Date:** Wed, 6 Feb 2002 22:18:07 -0900

**From:** "cmm" <murphylogue@alaskalife.net>

**To:** <Representative\_Fred\_Dyson@legis.state.ak.us>

February 6, 2002  
2811 Iliamna Ave  
Anchorage 99517

Dear Representative Dyson,


I strongly recommend that you bring HB 313 to hearing in the HESS Committee. Please note that the AK State Medical Association is a supportive member of the Coalition for Prescriptive Equity. The ASMA review paper on prescriptive equity is attached above as well as a list of the current Coalition for Prescriptive Equity members.


The American College of Obstetricians and Gynecologists has stated: "A health plan that uniquely excludes women's contraception, but covers other prescription drugs and services, not only makes no medical or economical sense, it is gender biased....E it (insurance plans that) unfairly require women to subsidize those savings for them, when they cover prescription drugs and services but specifically exclude women's prescription contraception...is discrimination. It is time to stop dismissing or trivializing women's reproductive health needs as less important than services unique to men, or less important than services in other areas of health care. Control of reproduction is a fundamental health need. The exclusion of prescription contraception from insurance coverage not only discriminates against women, it reflects a deeply flawed and costly health policy."


I respectfully request that you bring HB 313 to a fair hearing. It is an important bill that needs public review.

Thank you.

Colleen Murphy, MD, FACOG (OB-GYN)  
H: 907-243-1939  
W: 907-770-5432  
E:mail: [murphylogue@qci.net](mailto:murphylogue@qci.net)

 <a href="#">ASMA TALKING POINTS.doc</a>	<b>Name:</b> ASMA TALKING POINTS.doc <b>Type:</b> WINWORD File (application/msword) <b>Encoding:</b> base64 <b>Download Status:</b> Not downloaded with message
---	--

 <a href="#">Coalition members - names only.doc</a>	<b>Name:</b> Coalition members - names only.doc <b>Type:</b> WINWORD File (application/msword) <b>Encoding:</b> base64 <b>Download Status:</b> Not downloaded with message
--	---

 [Gender Equity in Coverage of Prescription Drugs.htm](#)

**Name:** Gender Equity in Coverage of  
Prescription Drugs.htm

**Type:** Hypertext Markup Language  
(text/html)

**Encoding:** quoted-printable

---

[Fred Dyson <Representative.Fred.Dyson@legis.ak.us>](mailto:Representative.Fred.Dyson@legis.ak.us)

Representative  
State of Alaska  
Alaska Legislature

## Analysis of Senate Bill No. 15

### I. The Problem

#### A. United States

- On average, a woman has 2.1 children during the course of her life.
- A sexually active woman will need contraception for more than twenty years of her life.
- Over 50% of U.S. pregnancies are unintended; 52% end in abortion
- Unintended pregnancies carry appreciable risks (*The Best Intentions*, IOM, 1995)
  - later onset of prenatal care & higher frequency of inadequate prenatal care
  - higher incidence of low birth weight infant (<2500 g)
  - higher incidence of infant mortality, child abuse, and physical abuse of mother
  - higher subsequent divorce rate (3x) and fathers more likely to be absent
  - Children raised by one parent are more likely to drop out of school, to have encounters with the criminal justice system, and more likely to become teen parents
  - higher incidence of economic hardship & failure of parents to achieve educational & career goals

#### B. Alaska

- There are 140,00 Women of childbearing age in Alaska (ages 15-44).
- Each year in Alaska, 120 pregnancies occur per 1,000 women ages 15-44, 69% of which end in live births, 15% in miscarriage, and 16% in elective abortions.
- 60% of pregnancies in Alaska are from unintended pregnancies.
- 42% of live births in Alaska are from unintended pregnancies. (Source: PRAMS 1996)

### II. The Solution: Increasing Contraceptive Access

#### A. United States

- 97% of typical insurance policies cover most prescription drugs (Alan Guttmacher Institute, 1994)
- Only 33 percent of insurance plans cover birth control pills (Alan Guttmacher Institute, 1994)
- < 20% of traditional health care plans cover all of the most commonly used methods of contraception.
- Women of reproductive age spend 68% more in out-of-pocket expenses than men- most of this is due to reproductive health care.
- In 1998, the AMA and ACOG recommended that all health insurance policies providing prescription benefits should no longer exempt contraceptive prescriptions.
- At least 13 states, Maryland, California, Connecticut, Delaware, Georgia, Hawaii, Iowa, Maine, Nevada, New Hampshire, North Carolina, Rhode Island, and Vermont — have enacted contraceptive equity - laws.
- State contraceptive equity laws only apply to state-regulated insurance plans.
- The "Equity in Prescription Contraceptive Coverage Act," or EPICCC, was reintroduced by Sen. Harry Reid, D-Nev., and Sen. Olympia Snowe, R-Maine in 1/01.
- The Pregnancy Discrimination Act, enacted by Congress in 1978, requires that expenses related to pregnancy, childbirth or related medical conditions be treated the same as expenses related to other medical conditions. The law also protects women against discrimination because they have the ability to become pregnant, not just because they are already pregnant
- On 12/13/00, The U.S. Equal Employment Opportunity Commission (EEOC) issued a Commission Decision finding merit in two charges of discrimination alleging violations of Title VII of the Civil Rights Act of 1964, as amended by the Pregnancy Discrimination Act of 1978.
- The Commission based its decision on the grounds that the respondents in the charges excluded the cost of prescription contraceptive drugs - available only to women - from their employee health plan while covering a number of other preventive drugs, devices, and services.
- The EEOC rejected arguments based on cost.
- The ruling applies only to firms with more than 15 workers and is specific to the two cases presented to the commission. It stops short of policy guidance that would apply to all employers
- Deborah Brake, a law professor at the University of Pittsburgh, states. "I would advise [companies] to

[expand coverage] immediately rather than being sued. My reading of the ruling is that it is quite broad," she said (Snowbeck, Pittsburgh Post-Gazette, 1/1).

#### **B. Alaska**

- A legal opinion from the Alaska State Legislature's Division of Legal Services indicates the EEOC's ruling would be applicable to all "employers," which for legal purposes is defined as all businesses with 15 or more employees.
- The state is considered an employer and is covered under the Civil Rights Act.
- This ruling would include all small business and self-insured plans, including the State of Alaska
- Legislative Attorney, Mike Ford, has reviewed the EEOC ruling. If a plan does not cover prescriptions, then it would not be required to cover contraceptives.

### **III. Cost of Increasing Contraceptive Access**

#### **A. United States**

- When women have to pay out of pocket, they will often opt for less expensive and effective contraceptive methods, thus increasing the likelihood of an unintended pregnancy.
- A large number of unintended births are paid for by private insurance -- costs that are eventually distributed to others in the form of higher insurance premiums.
- Every dollar spent for contraceptive services saves \$3 in public funds that would have been needed to provide prenatal and newborn care alone
- The Health Association of America, a national trade association representing about 270 of the nation's leading health care companies, showed that insurance costs would increase by \$16.00 per year per employee in plans covering other prescription medications.
- Other studies show including contraceptives in prescription programs could cost as little as \$1.43 per employee per month to as high as \$3.50 per employee per month. The high estimate is slightly more than the price of one month of oral contraceptives.
- The Alan Guttmacher Institute, which supports the expanded coverage, cited the cost of coverage for all five forms of reversible contraceptives -- oral contraceptives, diaphragms, intrauterine devices, injectables and implants -- to be \$21 per health plan member per year, or a 0.6% increase in the overall costs of health plans
- A 15 percent increase in the number of oral contraceptive users in a health plan would provide enough savings in pregnancy costs alone to provide oral contraceptive coverage for all users in the plan. (American Journal of Public Health, 1995)

#### **B. Alaska**

- Almost half of unintended pregnancies in Alaska are paid for by a government source.
- The prescriptive equity bill just would affect small business plans (2-50 people)
- Total people covered in 4/99 in small business plans: est 30,000 people.
- The bill would exclude private plans, self-insured, and specifically excludes churches.
- Most businesses with more than 100 employees are SELF-INSURED, and many with 50-100 employees are self-insured.
- Self-insurance is regulated by the federal government; the state has no authority to tell policy holders, businesses, or insurance companies what those policies must cover.
- The State of Alaska estimates that employee health insurance costs would increase \$3.25- \$3.50 per month to add coverage for contraceptives
- The State of Alaska also notes that improved access to and use of contraception would save insurers and society money by preventing unintended pregnancies. .

## **ACOG NEWS RELEASE**

For Release: June 12, 2001

### **Gender Equity in Coverage of Prescription Drugs**

#### **Statement of The American College of Obstetricians and Gynecologists On *Erickson v. Bartell Drug Company* Title VII Case**

**WASHINGTON, DC --** We applaud a federal district court ruling today that an employer's exclusion of prescription contraceptives from an employee health plan constitutes sex discrimination. Women are the sole users of prescription contraceptives. A health plan that uniquely excludes women's contraception, but covers other prescription drugs and services, not only makes no medical or economical sense, it is gender biased.

Contraception is a medical necessity for women during three decades of their life span. A woman cannot opt out of the need to control her fertility during nearly 30 reproductive years prior to menopause. To do so is to endure multiple, closely spaced pregnancies -- a health risk in and of itself. Unintended pregnancies also carry higher risks of preterm birth, maternal and perinatal morbidity, and higher rates of abortion.

Contraception brings great financial savings to the health care system, since the alternatives to birth control -- maternity care and delivery, neonatal intensive care, or spontaneous or induced abortion -- are so much more costly. Insurers and employers benefit from the significant savings that contraception brings to a health care plan. But they unfairly require women to subsidize those savings for them, when they cover prescription drugs and services but specifically exclude women's prescription contraception. That is discrimination.

It is time to stop dismissing or trivializing women's reproductive health needs as less important than services unique to men, or less important than services in other areas of health care. Control of reproduction is a fundamental health need. The exclusion of prescription contraception from insurance coverage not only discriminates against women, it reflects a deeply flawed and costly health policy.

###

*The American College of Obstetricians and Gynecologists is the national medical organization representing nearly 40,000 physicians who provide health care for women.*

# THE COALITION FOR PRESCRIPTION EQUITY

February 16, 2002

Representatives Murkowski, Guess, James, Wilson, Kapsner,  
Cissna, Kerttula, McGuire, and Berkowitz  
Alaska House of Representatives  
State Capitol  
Juneau, AK 99801-1182

Dear Representatives:

The Coalition for Prescription Equity would like to thank you for sponsoring HB 313, an act that would require certain health insurance companies to include contraceptives in their prescription plans. We know HB 313 is a solid bill with incredible support from many Alaskans.

This bill is asking not for preferential treatment but rather "only equitable treatment within the context of an existing prescription drug benefit". We agree that such an aim falls within the United States Equal Employment Opportunity Commission's decision [under 42 U.S.C. 200(k)] in December 2000, stating that when an employer offers a health insurance plan that includes coverage for medical conditions, that the employer cannot exclude coverage for prescriptive contraceptive drugs. Specifically, expenses related to pregnancy, childbirth, or related medical conditions must be treated the same as expensed for other medical conditions. Failure to do so constitutes discrimination. The adoption of HB 313 would ensure that Alaska is not violating the Civil Rights Act of 1964.

As member-agencies of the Coalition (please see attached list), we would like to encourage you to move this bill forward this legislative session. We have developed talking points to help you support this bill, which above all else is *a bill in support of women's equity*. Please feel free to contact Anna Franks at 770-9705 or Vicki Halcro at 770-9715 should you have any questions or desire the talking points.

Thank you for your support.

Sincerely,



Sharon Richards for  
The Coalition for Prescription Equity

Attachment - coalition members

Cc: Representative Brian Porter, Speaker of the House  
Representative Fred Dyson, Chair  
House Health, Education and Social Services Committee

# THE COALITION FOR PRESCRIPTION EQUITY

## MEMBER AGENCIES as of 2/15/02

**Alaska Chapter - American College of Nurse Midwives (ACNM)**

**Alaska Emergency Contraception Project**

**Alaska Health Education Consortium (AHEC)**

**Alaska Nurse Anesthetists Association**

**Alaska Nurse Practitioners Association (ANPA)**

**Alaska Nurses Association (ANA)**

**Alaska Pharmaceutical Association**

**Alaska State Medical Association (ASMA)**

**Alaska Women's Health Services**

**Alaska Women's Resource Center**

**American Association of University Women (AAUW)**

**American College of Obstetrics and Gynecology (ACOG)**

**Anchorage Education Association (AEA)**

**Anchorage Women's Commission**

**Anchorage Women's Political Caucus**

**Central Peninsula Counseling Services**

**Kachemak Bay Family Planning Clinic**

**League of Women Voters of Alaska**

**Mental Health Association in Alaska**

**National Alliance for Mentally Ill (NAMI) - Anchorage**

**National Organization of Women (NOW) - Anchorage**

**Planned Parenthood of Alaska**

**Sitka Medical Center**

**Sitkans Against Family Violence**

**Standing Together Against Rape (STAR)**

**YWCA**

Tony Knowles, Governor



**Division of Insurance**

3601 C Street, Suite 1324, Anchorage, AK 99503-5948

Telephone: (907) 269-7900 • Fax: (907) 269-7910 • Text Telephone: (907) 465-5437

Email: [Insurance@dced.state.ak.us](mailto:Insurance@dced.state.ak.us) • Website: [www.dced.state.ak.us/insurance/](http://www.dced.state.ak.us/insurance/)

**BULLETIN B 02-08**

**TO: ALL INSURERS TRANSACTING HEALTH INSURANCE IN ALASKA  
AND OTHER INTERESTED PARTIES**

**RE: COVERAGE OF PRESCRIPTION CONTRACEPTIVES**

On December 14, 2000 the U.S. Equal Employment Opportunity Commission (EEOC) issued a decision on coverage of prescription contraceptives. The EEOC concluded that, pursuant to the Pregnancy Discrimination Act, employers may not discriminate in their health insurance plan by denying benefits for prescription contraceptives when they provide benefits for other prescription drugs and devices.

On June 12, 2001, U.S. District Court Judge Robert S. Lasnik, issued a summary judgement in *Erickson v. Bartell Drug Company*, 141 F. Supp.2d 1266 (W.D. Wa. 2001) in favor of Erickson finding that exclusion of prescription contraceptives from Bartell's comprehensive prescription drug plan constituted discrimination on the basis of sex in violation of Title VII, of the Civil Rights Act of 1964, as amended by the Pregnancy Discrimination Act.

Based on the EEOC decision and U.S. District Court ruling, in order for employers to avoid violation of Title VII, insurance coverage offered to employees should provide coverage for prescription contraceptives to the same extent that the plan provides coverage for other prescription drugs or devices. The division requests your assistance in spreading the word to employers with whom you do business, thereby assuring that they remain in compliance with Title VII by providing comparable coverage for prescription contraceptives when they cover other prescription drugs and devices.

Dated this 16th day of April 2002, at Anchorage, Alaska.

A handwritten signature in black ink, appearing to read "Robert A. Lohr". The signature is written in a cursive style and is positioned above a horizontal line.

Robert A. Lohr  
Director

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB 313  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DCED  
 Title An Act requiring that the cost of contraceptives BRU Insurance (116)  
be included in certain health care insurance coverage Component Insurance Operations  
 Sponsor Representative Murkowski  
 Requester House Health, Education & Social Services Component No. 354

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 GF Receipt Supported Services						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2002) cost: 0.0  
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This bill has no fiscal impact on this component.

Prepared by: Robert A. Lohr, Director Phone 269-7900  
 Division Insurance Date/Time 4/29/02 11:39 AM  
 Approved by: Deborah B. Sedwick, Commissioner Date 4/29/2002  
 Agency Department of Community & Economic Development

**Testimony for House Bill 313  
INSURANCE COVERAGE FOR CONTRACEPTIVES  
Health, Education and Social Services  
Hearing : Tuesday April 30, 2002**

**Submitted by: Victoria Halcro  
Director of Public Affairs and Marketing  
Planned Parenthood of Alaska**

I would like to state that I am in support of House Bill 313. This bill is asking not for preferential treatment for women but rather only equitable treatment within the context of an existing prescription benefit.

This was confirmed by the EEOC's December 14, 2000 decision that employers may not discriminate in their health insurance plan by denying benefits for prescriptive contraceptives when a plan already provides benefits for other prescription drugs. Doing so would be a violation of the 1964 Civil Rights Act.

Currently, women of childbearing age pay 68% more in out-of-pocket health care costs than men. Reproductive health care services account for much of this differential.

Contraception is a basic health care need for women and a critical contributor to improved maternal and child health. Planned pregnancies are healthier pregnancies. Women with planned pregnancies are more likely to seek early and adequate prenatal care.

For example, for many years, health care services like prenatal care, mammography, and even childhood immunizations were considered non-essential. Now that these services are universally accepted as necessary care, they too are fully covered by insurance saving countless lives everyday.

Increasing the availability of contraception by making it more affordable is key to reducing the number of unintended pregnancy, of which more than half end in abortions. By passing HB 313 you have the ability to indirectly reduce the number of abortions in Alaska.

I urge you to vote for House Bill 313. Passing such legislation brings us one step closer to assuring that the well being of women and their families are the highest priority in Alaska.

**Subject: Support HB 313**

**Date:** Mon, 29 Apr 2002 20:33:33 -0800

**From:** "Diana Rhoades" <alaskadiana@earthlink.net>

**To:** <Representative\_Fred\_Dyson@legis.state.ak.us>,  
<Representative\_Peggy\_Wilson@legis.state.ak.us>,  
<Representative\_John\_Coghill@legis.state.ak.us>,  
<Representative\_Gary\_Stevens@legis.state.ak.us>,  
<Representative\_Vic\_Kohring@legis.state.ak.us>

Dear HESS Committee Members:

I am writing in support of House Bill 313, which would secure equal health care coverage for women, in the form of contraceptives. We should all work together to help prevent unwanted pregnancies, and affordable access to contraceptives is a good place to start.

I have been on birth control since I was 17 years old. Though I wasn't having sex at the time, I just wanted to make sure I didn't get pregnant in a moment of passion. Better safe than sorry. I am now 35 years old. I have recently been using depo provera, which averages between \$320 and \$400 per year, depending on where you get the shot. Regular birth control pills cost about \$35 per month. So let's just do a low average of \$320 per month (that doesn't include the exam that is required to even get a prescription for birth control). So basically I have spent more than \$5500 to be safe. What have men spent to be safe? Very little.

It makes good sense to be safe. It's time for birth control to be covered by health insurance.

Thanks!

Diana Rhoades  
1772 Scenic Way #1  
Anchorage, AK 99502  
274-1274



Blue Cross  
Blue Shield of Alaska  
A PREMIERA HEALTH PLAN  
Independent Licensees of the Blue Cross and Blue Shield Association

7001 220th St. S.W., Mountlake Terrace, WA 98043-2124  
Post Office Box 327, Seattle, WA 98111-0327  
425/670-5757 Fax 425/670-5635

Jack C. McRae  
Senior Vice President

April 29, 2002

Representative Lisa Murkowski  
State Capitol, Room 408  
Juneau, AK 99801-1182

BY FAX: 907/465-2293

Dear Representative Murkowski:

I am writing in reference to HB 313, "an act requiring that the cost of contraceptives be included in certain health care insurance coverage." Blue Cross Blue Shield of Alaska is concerned about the availability and affordability of health insurance. We generally oppose new benefit mandates that inevitably impact the cost of coverage.

We must acknowledge, however, that the proposed coverage of contraceptives requires that other factors be taken into consideration, such as recent court decisions, the EEOC interpretation referenced in Section 2 of HB 313, employer demand and marketplace changes in benefits offered. Given these changes in our business environment, Blue Cross Blue Shield of Alaska will not oppose HB 313.

One remaining concern with the current version of the bill (version "L") is that, in absence of a specific effective date, compliance would be required 90 days after enactment. Since we would be adding new coverage or modifying existing benefits in virtually all of our policies, implementation of HB 313 will require significant work from a number of operational areas. For example, we will have to revise contract language, complete required regulatory filings, make the necessary computer system changes, and ensure that the rates accurately reflect the new benefit. To make sure that the implementation is successful and the transition occurs with a minimum of disruption to consumers, we would request an effect date no earlier than January 1, 2003.

I greatly appreciate your consideration of this request and will be glad to discuss this issue and provide any additional information you may require.

Sincerely,

Jack C. McRae  
Senior Vice President

**HB**

**338**

# REPRESENTATIVE KEVIN MEYER

---

HOUSE DISTRICT 19

## MEMORANDUM

**DATE:** January 17, 2002  
**TO:** Representative Fred Dyson  
Chairman, House Health & Social Services Committee  
**FROM:** Representative Kevin Meyer *Kevin*  
**RE:** Scheduling HB 338

---

Please schedule HB 338 Appropriation: Grants to Prevent Youth Suicide, for a hearing on January 24, 2002. Representatives from the Boys & Girls Clubs will be in Juneau on January 24 on another matter and we hope to save them a trip by having HB 338 heard on the same day. Thank you for your consideration.

# ALASKA MENTAL HEALTH BOARD

---

TONY KNOWLES, GOVERNOR  
STATE OF ALASKA

431 N. Franklin, Suite 200  
Juneau, Alaska 99801  
Office: (907) 465-3071  
Fax: (907) 465-3079

January 23, 2002

Honorable Kevin Meyer, Co-Chair  
Community and Regional Affairs Committee  
Alaska House of Representatives  
State Capitol  
Juneau, Alaska 99811

Dear Representative Meyer:

The Community and Regional Affairs Committee has introduced legislation (HB 338) that would make an FY 2003 appropriation of \$1,000,000 to the Boys and Girls Clubs of Southcentral Alaska for a youth suicide prevention program. The bill, along with some information concerning the Club's program, was presented to the Alaska Mental Health Board (AMHB) during its January 18-20, 2002 meeting in Fairbanks. The AMHB is the state board charged with services planning and advocacy for Alaskans experiencing mental illness served by the public mental health system. The AMHB also is responsible for making annual budget recommendations for public mental health services to the Alaska Mental Health Trust Authority.

Suicide prevention is a critical element of a comprehensive and effective mental health system in Alaska. We all know the grim statistics and the individual, family, and community toll suicide exacts. The AMHB strongly supports comprehensive and coordinated efforts to address the causes of suicide and the provision of adequate resources to do so.

The Suicide Prevention Council, created by the Legislature during its 2001 session, represents an opportunity to achieve these goals. The Council is required to develop a statewide suicide prevention plan. A comprehensive plan that coordinates services and ensures efficient resource use offers the best hope for success. We expect that the Council will consider programs such as the Boys and Girls Club as it develops its plan. The AMHB will take into account the Council's recommendations as it develops budget proposals for FY 2004.

Board policy bars endorsing a particular organization as the best qualified to carry out any initiative. That, we believe, is best achieved via a competitive process that includes careful assessment of a proposal and of the capacities of all organizations interested in delivering services.

The AMHB applauds your efforts to come to grips with this terrible problem. Please contact us if you have any questions or if we can help in any way.

Sincerely,

/Signed/

Jan MacClarence  
Chair



# Alaska State Legislature

---

## HOUSE COMMITTEE ON COMMUNITY AND REGIONAL AFFAIRS

---

Representative Carl Morgan  
Co-Chairman  
Committee Aide, Bili Lawrence  
(907) 465-3882

Representative Kevin Meyer  
Co-Chairman  
Committee Aide, Lorali Carter  
(907) 465-6588

### SPONSOR STATEMENT

#### HB 338

**“An Act making a special appropriation for a grant to Boys & Girls Clubs of Southcentral Alaska.”**

House Bill 338 makes a special appropriation of \$1,000,000 to the Boys & Girls Clubs of Southcentral Alaska for a statewide youth suicide prevention program.

There are 32 Boys & Girls Clubhouses in the state of Alaska. The money appropriated to fund the youth suicide prevention program will be divided between each of the 32 Clubhouses. The suicide prevention program will include drug, alcohol, and teen pregnancy prevention; education and career development; leadership and character development; conflict resolution and violence prevention; fitness and social recreation.

This Legislature has made children its top priority. HB 338 continues the commitment to a strong and healthy future by recognizing the need for suicide prevention programs in Alaska and providing a positive program through a dedicated organization.

\*\*\*



**BOYS & GIRLS CLUBS  
ALASKA**

**Our Vision**

Be the premier youth development agency in Alaska

**Our Mission**

Through our Alaskan Clubhouses and programs, we ensure the youth we serve receive opportunities to develop to their full potential.

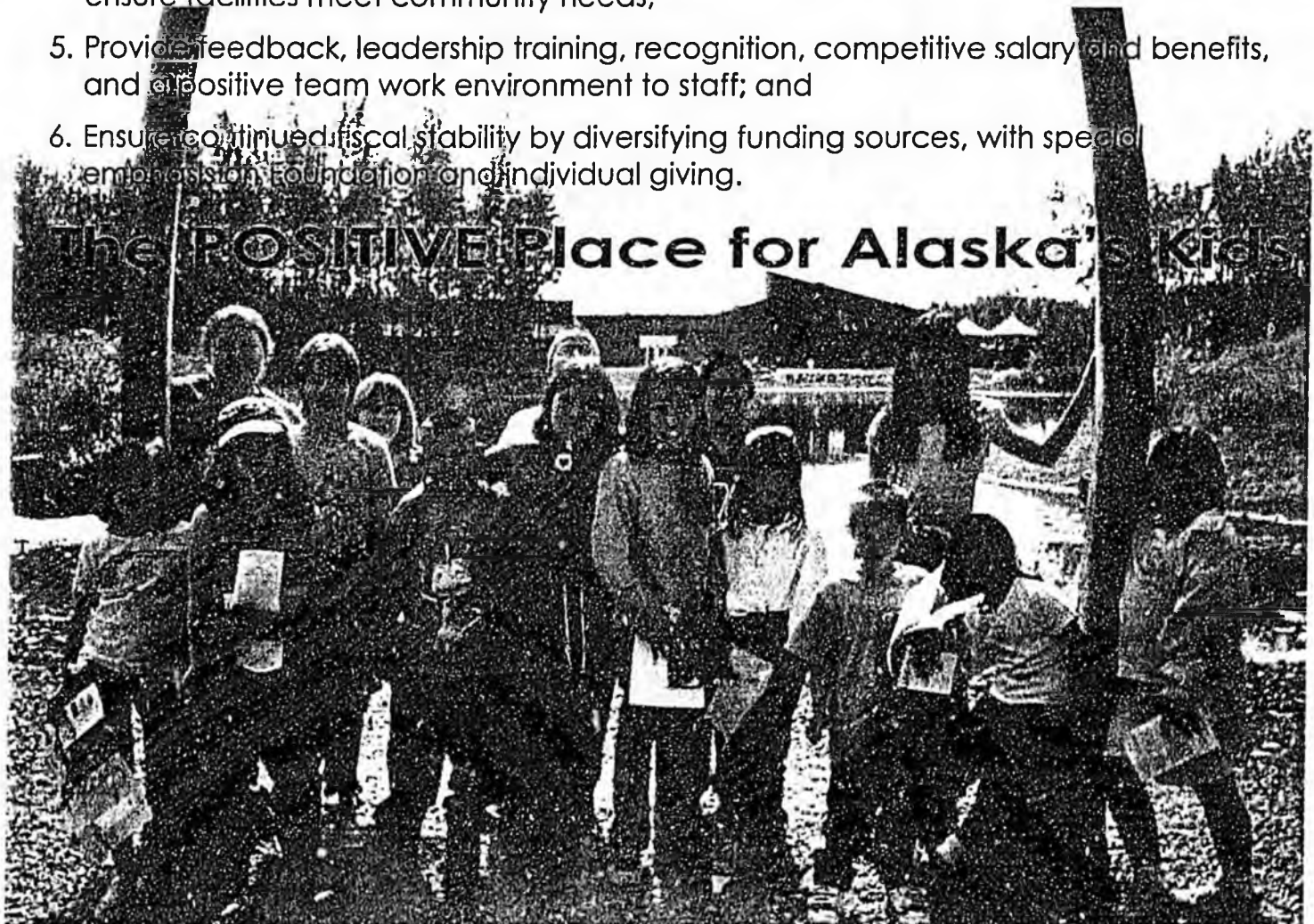
**Our Values**

Integrity, inclusiveness, inspiration and empowerment of youth

**Our Strategy**

1. Meet each community's needs through existing and expanding programs, with a focus on teen programs, family support programs and education and career development;
2. Increase public awareness of Boys & Girls Clubs' programs;
3. Diversify the Board of Directors and volunteer base for inclusiveness and strengthen each member's participation and leadership potential;
4. Increase outreach by adding or enlarging Boys & Girls Clubs throughout Alaska and ensure facilities meet community needs;
5. Provide feedback, leadership training, recognition, competitive salary and benefits, and a positive team work environment to staff; and
6. Ensure continued fiscal stability by diversifying funding sources, with special emphasis on Foundation and individual giving.

**The POSITIVE Place for Alaska's Kids**





# BOYS & GIRLS CLUBS

2002 Clubs



## Youth Suicide Prevention Project Goal

Boys & Girls Clubs goal is to inspire and empower Alaskan youth to excel in school and realize their full potential as productive, responsible and caring citizens.

**Objective #1**  
Membership numbers will increase by 20% over the previous school year by the end of the academic school year as indicated by membership records.

**Objective #2**  
Daily attendance at the Clubhouse will increase by 30% over the previous school year by the end of the academic school year as indicated by daily attendance rosters.

**Objective #3**  
20 youth will participate in two educational programs by the end of the first semester of the academic school year as indicated by program attendance rosters.

**Objective #4**  
20 youth will participate in two teen specific programs by the end of the academic school year as indicated by program attendance rosters.

**Activity #1**  
The Branch Manager will outreach to 5 schools. Tasks include attending school open houses and disseminating information about the Clubhouse and programs available in a monthly newsletter.

**Activity #1**  
The Branch Manager will outreach to 5 schools. Tasks include attending school open houses and disseminating information about the Clubhouse and programs available in a monthly newsletter.

**Activity #1**  
A Senior Instructor will implement Power Hour, a homework help and tutoring program. Staff will recruit 10 youth to the program and submit quarterly attendance and progress reports.

**Activity #1**  
A Senior Instructor will implement Keystone Club, a leadership Club for 14 to 18 year olds. Staff will recruit 10 youth to the Club and submit quarterly attendance and project reports.

**Activity #2**  
The Branch Manager will host two Club open houses each year in order to outreach to youth and families new to the community.

**Activity #2**  
The Branch Manager will host two Club open houses each year in order to outreach to youth and families new to the community.

**Activity #2**  
A Senior Instructor will implement Goals for Graduation, a grade goal-setting and tutoring program. Staff will recruit 10 youth to the program and submit quarterly attendance and progress reports.

**Activity #2**  
A Senior Instructor will implement NIKE SWOOSH Club, an athletic-based leadership program. Staff will recruit 10 youth to the program and submit quarterly attendance and activity reports.

**Please note:** The above chart was created as a project template. Outreach and youth served will vary per Club. Objectives will be modified to reflect the size and need of the community and members.

## Cause of Death Rank, Number and Rate of Suicide – ALASKA 1998

	<u>Rank</u>	<u>Number</u>	<u>Rate</u>
All races, both sexes, all ages	5	131	23.7
Male		105	32.7
Female		26	8.8
White		75	16.4
Native		50	48.4
All other		6	10.4
White male		62	25.9
White female		13	6.0
Native male		38	73.5
Native female		12	23.2

### All races, both sexes, AGE

5-14	15-24	25-34	
	# rate	# rate	
-----	44 53.8	23 26	

### Suicide by Regional Corporation of Residence by Race 1998

	Ahtna	Aleut	Arctic	Bering	Bristol	Calista	Chugach	Cook	Doyon	Koniag	NANA	SEA	Outside	
White	1				1	1	1	36	21	2		8	4	75
Native			3	7	3	17		1	11	1	4	2		49
Other			1					3	2				1	7
Total	1		4	7	4	18		40	34	3	4	10	5	131

### Suicide Death Rates Alaska

1994	1995	1996	1997	1998
26.6	21.0	22.8	21.7	23.7

Source: Alaska Bureau of Vital Statistics

**Cause of Death Rank, Number and Rate of Suicide – US 1998**

	<u>Rank</u>	<u>Number</u>		<u>Rate</u>		
All races, both sexes, all ages	8	30,575		11.3		
5 - 14	6	324		0.8		
15 - 24	3	4,135		11.1		
25 - 44	4	12,202		14.6		
45 - 64	8	8,094		14.1		
65+		(5,820)				
	M F		M F		M F	
All races, by sex, all ages	8	-	24,538	(6,037)	18.6	-
5 - 14	4	6	241	83	1.2	0.4
15 - 24	3	4	3,532	603	18.5	3.3
25 - 44	3	4	9,700	2,502	23.5	6.0
45 - 64	8	9	6,201	1,893	22.4	6.4
65 +	-	-	(4,864)	(956)	-	-
<b>Total Suicides</b>			<b>30,575</b>			
<b>White Suicides</b>			<b>27,648</b>			
<b>White Male Suicides</b>			<b>22,174</b>			
				<b>24,538</b>		
				<b>22,174</b>		

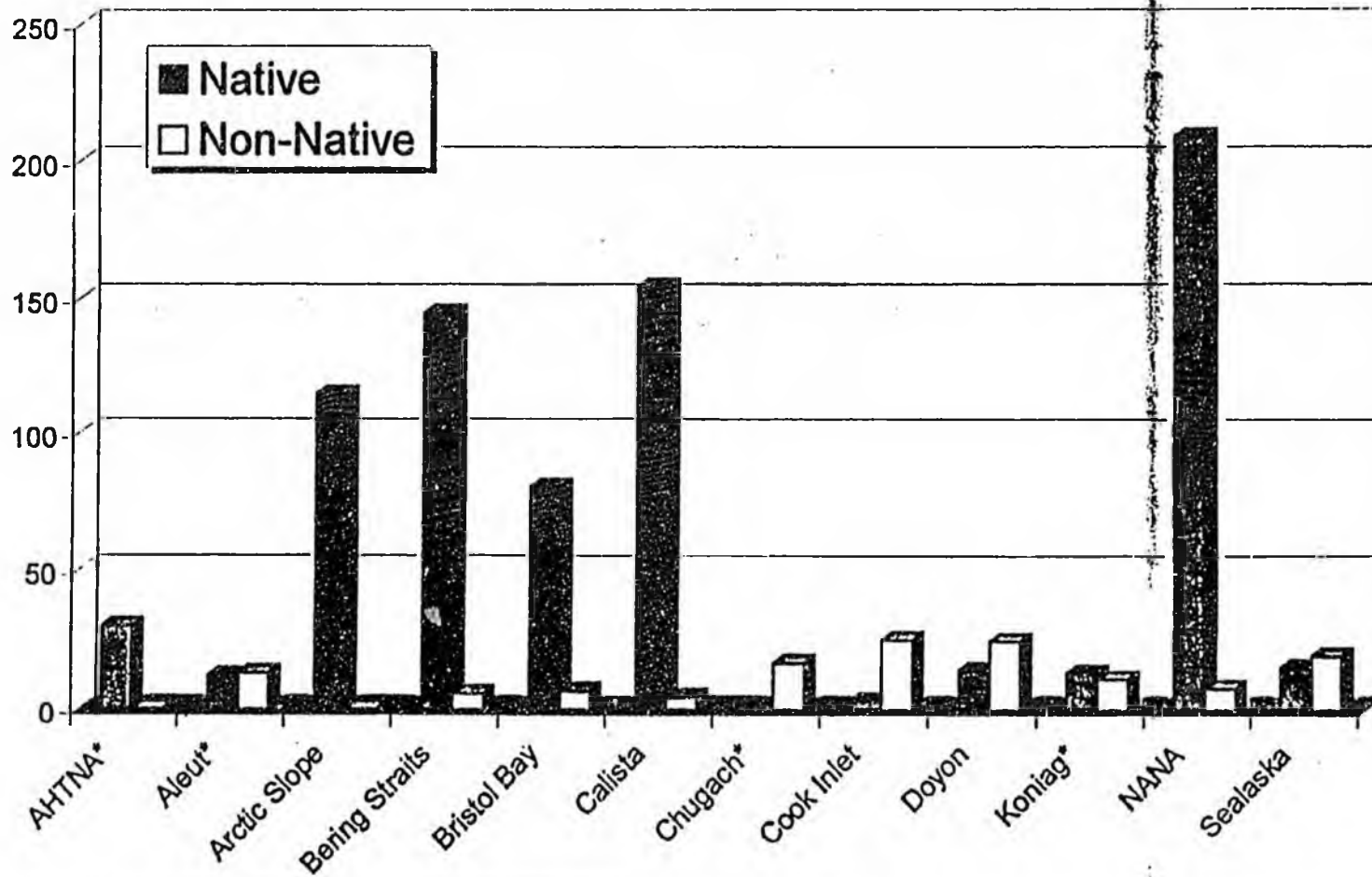
Source: National Vital Statistics Reports, Vol.48, No. 11, July 24, 2000

THE  
FOLLOWING  
DOCUMENT(S)  
ARE  
POOR  
ORIGINAL  
COPIES

## Suicide 1998 US and Alaska

Rate	US	Alaska
All	11.3	23.7
Male	18.6	32.7
Female	(Not in top 10 causes of death)	8.8
White Male		25.9
Native Male		73.5
White Female		6.0
Native Female		23.2
All, ages 15-24	11.1	53.8
All, ages 25-44	14.6	
25-34		26

### Age-Adjusted Suicide Rates by Native Regional Corporation, 1995 - 1997



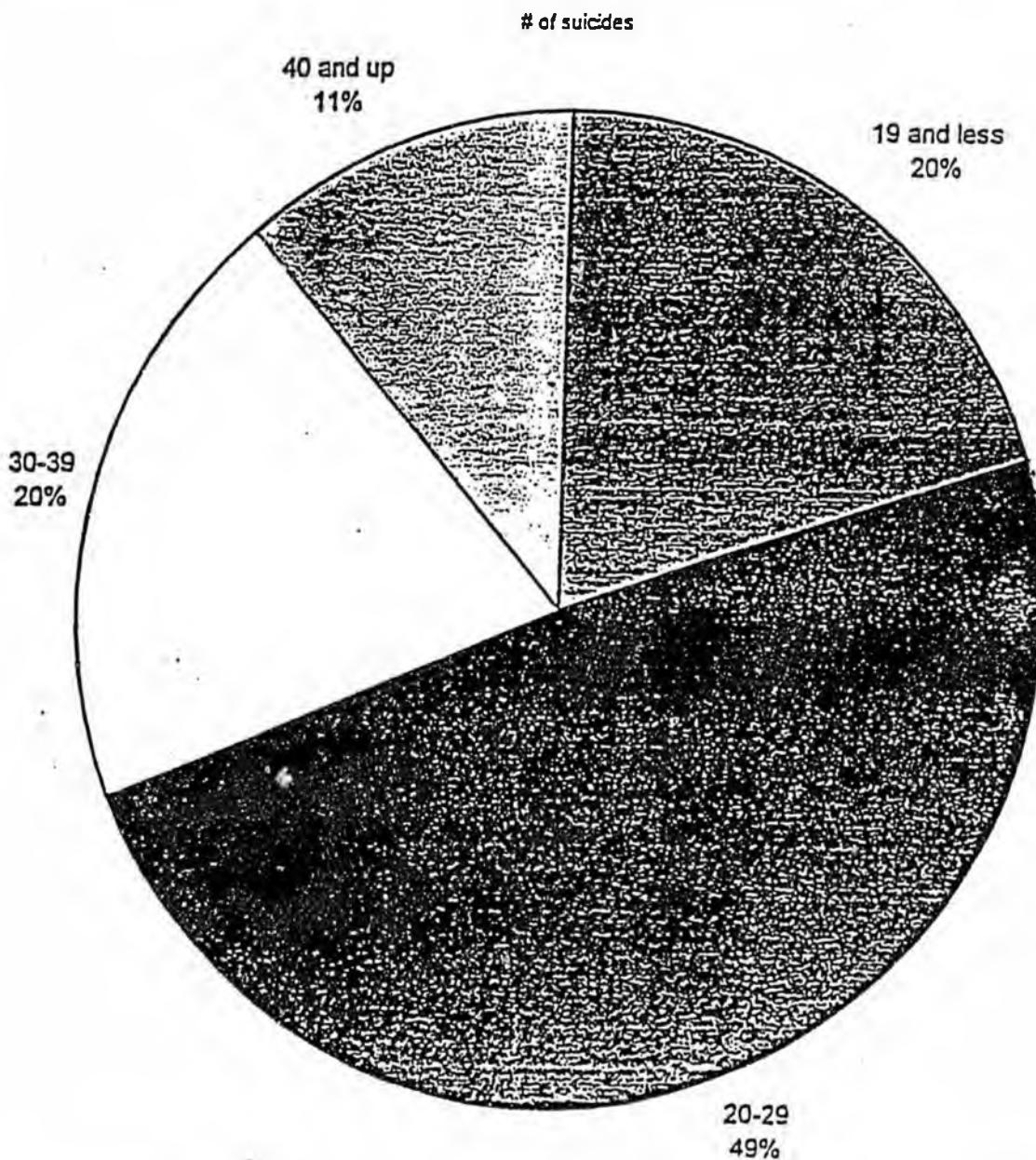
### Distribution of Alaska Native Suicides By Age 1990 - 1994

The average number of suicides by Alaska Natives per year over the five years 1990 - 1994 is 46

<u>Age Group</u>	<u># of suicides</u>	<u>% of suicides</u>
19 and less	9.2	20%
20-29	22.4	49%
30-39	9.2	20%
40 and up	5.2	11%

69% of all suicides by Alaska Natives were committed by persons younger than 30.

Almost half were committed by persons in their twenties.



**HB**

**342**

# Alaska State Legislature


**SESSION ADDRESS:**  
Alaska State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-4925  
Fax: (907) 465-3517  
Toll Free: 1-800-821-4925

**INTERIM ADDRESS:**  
112 Mill Bay Road  
Kodiak, Alaska 99615  
(907) 486-4925  
Fax: (907) 486-5264

**Representative Gary Stevens**

## MEMORANDUM

**To:** Representative Fred Dyson  
House Health, Education, and Social Service Committee

**From:** Representative Gary Stevens 

**Date:** February 19, 2002

**Re:** HB 342

---

I would respectfully request that you hold a hearing HB 342 "An Act Relating to Appropriations for Operating Expenses for Primary and Secondary Public Education; and providing for an effective date" at your earliest possible convenience.

Thank you for your consideration of this request.

# *Alaska State Legislature*

**SESSION ADDRESS:**

Alaska State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-4925  
Fax: (907) 465-3517  
Toll Free: 1-800-821-4925

**INTERIM ADDRESS:**

112 Mill Bay Road  
Kodiak, Alaska 99615  
(907) 486-4925  
Fax: (907) 486-5264

## **Representative Gary Stevens**

### **SPONSOR STATEMENT – HB 342 An Act Relating to Appropriations for Operating Expenses for Primary and Secondary Public Education**

**HB 342** would let school districts know the amount of state aide they will be receiving for the succeeding school year by April 1<sup>st</sup> of each calendar year.

By state statute, school districts are required to submit funding requests to their municipal governments by May 1<sup>st</sup> of each year. In many instances, the legislature and the governor have not passed the operating budget until well after the first of May. This situation makes it difficult for school districts to prepare an actual financial plan and puts an added burden on local government officials developing their budgets. Over the years, the uncertainty has also caused school districts to layoff educators only to attempt to hire them again once the final budget has been approved.

**HB 342** solves this dilemma in two ways. Section one of the bill requires the governor to submit a separate appropriation bill to the legislature for public elementary and secondary schools before the fourth day of each regular session. It also requires the legislature to pass and transmit to the governor a bill to fund education for the succeeding fiscal year. Section two amends a provision in the Executive Budget Act to reflect that a separate appropriation bill to fund education must be submitted by the governor as part of the budget package.

School districts throughout Alaska are dealing with many issues including recruiting and retaining teachers, meeting new pupil performance standards and inflationary costs. The legislature can assist school districts by giving them early notice of their state funding. Please join me in supporting this bill.

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

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

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

January 22, 2002

**SUBJECT:** Sectional Summary (HB 342)

**TO:** Representative Gary Stevens  
Attn: Doug Letch

**FROM:** Tamara Brandt Cook  
Director *TBC*

**Sec. 1.** Requires the governor before the fourth legislative day to submit a separate appropriation bill to the legislature limited to appropriations for operations of public elementary and secondary schools. Requires the legislature to pass and transmit to the governor by April 1 a bill to fund education for the succeeding fiscal year.

**Sec. 2.** Amends a provision in the Executive Budget Act to reflect that a separate appropriation bill to fund education must be submitted by the governor as part of the budget package.

TBC:med  
02-041.med

TO: Representative Con Bunde  
Chair: House Special Committee on Education  
FROM: Rich Kronberg  
President: NEA-Alaska  
RE: Forward funding of education  
DATE: February 12, 2002

NEA-Alaska supports HB 342 that provides for the forward funding of education. Our resolution P-48, adopted by our Delegate Assembly in 1995, says in part:

“NEA-Alaska supports full forward funding of education...”

Our delegates adopted this position for three reasons that I will share in this memorandum.

- Full forward funding of education would be a concrete demonstration that education is a priority of the legislature. By adopting the education budget in the prior year's session, legislators would, in essence, be saying, “We are fulfilling our Constitutional responsibility first, before we deal with other budgetary requests”
- Full forward funding of education will give school districts and their communities the knowledge they need to best utilize the resources they will receive. Planning is an important component in the design of a district's educational delivery model. The current system does not build in such time for planning. School districts have been preparing their budgets for next year since October, but they will not have certainty around their funding until May. The fiscal year for our districts begins in July. Under the current system districts have had only two months to finalize their plans and begin implementation.
- Full forward funding will allow serious bargaining to begin earlier than is currently the case. This will provide more time to work out differences and come to win-win resolutions at the bargaining table.

While we are very much in support of HB 342, we must add that forward funding is not a substitute for adequate funding. We strongly support looking at the legislation presently proposed (SB1, HB 211, HB 312, HB 379) as the bare minimum necessary to move forward with our very ambitious statewide education program. If we are serious about creating the opportunity for all students to meet or exceed standards, then we need to invest significantly more resources in their education.

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 342  
 (H) Publish Date: 2/13/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title: "An Act relating to appropriations for operating BRU: K-12 Support  
expenses for primary and secondary public education; and ..." Component: Foundation Program  
 Sponsor: Representative Stevens  
 Requester: House Special Committee on Education Component Number: 141

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

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

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This bill would require the legislature to make an appropriation for the Public School Funding Program (Foundation Program), by April 1, each year. An early appropriation for the succeeding fiscal year will help school districts as they prepare to submit their budgets to the local municipalities by May 1, as outlined in AS 14.14.060(c).

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679  
 Division: Education & Early Development Date/Time 02/04/02  
 Approved by: Ed McLain, Deputy Commissioner Date 2/5/02  
 Agency: Education & Early Development

For distribution information, call the Governor's Legislative Office

# HOUSE COMMITTEE REPORT

2-13-02

(9)

Date Referred to Committee: January 18, 2002

FURTHER REFERRALS: HES

Finance

Date of Committee Action: 2-13-02

The HOUSE SPECIAL COMMITTEE ON EDUCATION Committee considered:

HB 342

HOUSE BILL NO. 342

EDUCATION FUNDING

"An Act relating to appropriations for operating expenses for primary and secondary public education; and providing for an effective date."

Recommends it be replaced with CS ( ) [ ] Same Title [ ] New Title  
 For Senate Bills with new title: [ ] Technical Title [ ] New Title: HCR \_\_\_\_\_

- [ ] attach amendments
- [ ] add new referral to \_\_\_\_\_ Committee
- [ ] Letter of Intent \_\_\_\_\_ Committee

List of Abbrev. for Depts.:  
 ADM  
 CED  
 COR  
 CRT  
 EED  
 DEC  
 DFG  
 GOV  
 HSS  
 LAA  
 LAW  
 LWF  
 MVA  
 DNR  
 DPS  
 REV  
 DOT  
 UA

<u>NEW FISCAL NOTES</u>				
*For Chief Clerk's Office Use Only				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
EED	1			✓

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Green	(7)			
	Soule	✓			
	Porter	✓			
	Wilson	✓			
	GUESS	✓			
Chair:	Bunde	✓			
Chair:	Bunde	✓			

**HB**

**352**

TONY KNOWLES  
GOVERNOR  
governor@gov.state.ak.us



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

HB 352  
P.O. Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500  
Fax (907) 465-3532  
www.gov.state.ak.us

January 21, 2002

The Honorable Brian Porter  
Speaker of the House  
Alaska State Legislature  
State Capitol  
Juneau, AK 99811-1182

Dear Speaker Porter:

I am transmitting this bill extending the date for public school performance designations to September 2004, aligning it with the secondary school student competency testing examination. Aligning the effective date of these two programs makes sense because the school performance designations are based on student achievement, including the results of the competency exam.

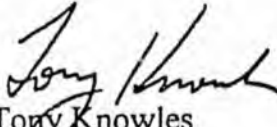
The additional time will allow the Department of Education and Early Development to do three things regarding school performance designations:

- Align state programs with the new requirements of the federal Elementary and Secondary Education Act;
- Collect the data necessary to measure growth;
- Build the capacity to effectively collect, analyze, and use the data.

Correspondingly, the bill also delays the effective date for department reports and monitoring that are to be based on school designations. In addition, the bill clarifies that school designations are intended to reflect student achievement of "essential skills." It is those skills that students are tested on throughout the standardized testing program mandated by state law.

I urge your prompt and favorable action on this measure.

Sincerely,

  
Tony Knowles  
Governor

AMENDMENT

OFFERED IN THE HOUSE

BY \_\_\_\_\_

TO: HB 352

- 1 Page 2, line 11:
- 2 Delete "AS 14.23.123(f)"
- 3 Insert "AS 14.03.123(f)"

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 352  
 (H) Publish Date: 1/23/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: EED  
 Title School Designators BRU Teaching and Learning Support  
 Component Quality Schools  
 Sponsor Rules  
 Requester Governor Component No. 2147

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2002) cost: 0.0  
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
 This bill proposes to change the implementation date for the school designator system. It would have no fiscal impact on the Department of Education & Early Development.

Prepared by: Barbara Thompson Phone 465-8727  
 Division Teaching and Learning Support Date/Time 1/16/02 1:06 PM  
 Approved by: Ed McLain, Deputy Commissioner of Education Date 1/16/02  
 Agency Education & Early Development

**SAMPLE Alaska School Report Card**

<b>School Designation of Student Performance</b>				
<b>Designation: TBD</b>				
Confidence: TBD				
<b>Status Score</b>	<b>2002</b>			
<b>Growth Score</b>	<b>2003</b>			
<b>Total Score</b>	<b>2003</b>			

Indicator	Status		Growth	
	N	Score	N	Score
Kindergarten Profile				
Grade 3 Benchmark		'02	--	--
Grade 4 NRT		'02		'02/'03
Grade 5 NRT		'02		'03
Grade 6 Benchmark		'02		'03
Grade 7 NRT		'02		'03
Grade 8 Benchmark		'02		'03
Grade 9 NRT		'02		'03
Grade 10 HSGQE		9/'02		'03
Persistence/Dropout		'02		'02
Percent Graduating		'02		'02
Post-graduation Success		'03		'04
Local Assessment		'03		'04

School Context				
Percent AFDC				
Percent Transient				
Percent Special Ed				
Remoteness				
Racial/Ethnic Makeup				
Limited English Proficiency				

School Quality	
<i>(Examples of indicators that would be reported)</i>	
Attendance	Accreditation Status
Chronic Truancy	School Plan in Place
Safety (Expulsions)	Parent Involvement
Physical Plant	Community Involvement
Course Offerings	Average Volunteer Hours
Percent Tenured	Parent Satisfaction Survey
Avg. Years Teaching	Student Satisfaction Survey
Percent Teaching in Area of Certification	Community Satisfaction Survey

Other Notes
-------------

## **Description of School Designator System And Questions and Answers**

Alaska Department of Education and Early Development

### **What is the purpose of the School Designator System (SDS)?**

The Alaska Department of Education and Early Development is charged statutorily (Sec. 14.03.123) to develop a system for assigning designations and providing assistance to schools. The purpose of the school designation system is to communicate school quality and performance to the public, educators, and others. It is expected that this program will recognize good performance and help lower performing schools get better through increased attention and targeted assistance.

### **What is the status of the SDS?**

The Department will present a proposal to the state Board of Education in March 2002. The Board is responsible for issuing regulations that will direct the specific implementation of the SDS by August 2002. The specifications for the SDS will be set when the Board approves its final regulations. Therefore, the information presented here is a proposal from the Department, subject to change.

### **Who is developing the SDS?**

The SDS is benefiting from input from many sources. The Department has convened a School Designator System Committee. The SDS Committee consists of over two dozen members who represent much of the diversity of Alaska. Members include very experienced educators, school principals, superintendents, school board members, parents, and businesspersons. A nationally experienced firm, the Center for Assessment, is helping with the design of the SDS. The Technical Review Committee established by the Department, consisting of Alaskans with measurement expertise, will also review the SDS design.

As part of the process, the Department is soliciting comments from many educator and policy-making groups. The state Board's regulations will also be subject to a period for public comment.

### **What will be reported?**

The law requires that each school be assigned one of four labels: Distinguished, Successful, Deficient, or In Crisis. These labels will be based on school performance on a number of indicators which will also be reported, including students' performance in relation to the state standards on reading, mathematics, and writing; performance on norm-referenced tests; learning growth of students over the past year in reading, mathematics, and writing; dropout rates; and graduation rates. In addition, the SDS Committee recommended adding results from other performance indicators as they become available, including an early primary

assessment, post-graduation success, and local performance assessment. The degree of confidence in the designation will also be reported.

It may be desirable to combine elements from the existing school report with the information for the school designator system. This could provide information about the school context and quality, such as percent of students living in low-income families, special education, racial/ethnic diversity, and remoteness of the school. Attendance, expulsions, truancy, physical plant, course offerings, and teacher qualifications could also be reported. Although the SDS Committee did not recommend including these other indicators in the school designation rating, most of these elements are collected and reported, and could be combined into a single school report. A sample possible report is attached.

### **Why does the SDS emphasize student test scores?**

In compliance with the state legislature's requirement that the SDS be built on "student measures, including student achievement," a very large part of the school's designation will reflect the performance of its students on the state benchmark and high school graduation qualifying exams. These exams provide a valid and reliable assessment of student performance on the content standards determined to be of most importance for Alaska. Standardized test scores provide a common "measuring stick" across all schools.

The Department and SDS Committee recognize that standardized tests are not the only indicator of school quality and student performance. However, very few other measures were available that met minimum criteria for rigor and fairness. As mentioned above, a number of other indicators have been identified that may be developed and included in the future.

### **How are status and growth included in the SDS?**

One agreed upon indicator of school performance was how its students performed in relation to state standards—for example, how many of its students were passing the high school qualifying exam or performing in relation to the similar proficiency standard for the benchmark exams in grades 3, 6, and 8.

However, it was also agreed that it is more important how much students are learning, or how much their scores are improving from year to year. Thus, the SDS will include how much student test scores have increased from year to year.

Growth will count twice as much as status in assigning school designations. Provisions will be made for schools that are performing so high that it is not reasonable to expect much growth.

**How will the system be fair to all schools?**

Fairness is a primary concern for the Department and all those who have worked on the design of the School Designator System. There are several ways the system has been designed to be fair to all schools.

The SDS will apply objective, common measures to all schools.

Schools whose students have less advantaged backgrounds will “get credit” for helping those students progress. The growth component gives as much credit to helping a student who started low and learned “one year’s standard growth” as it does helping a student who started high. Schools are not competing with each other; they are recognized for helping their students grow, no matter where they started.

Much thought has been taken to make the system as reliable as possible for small schools. This includes including as many grades and students as possible.

The reporting of the degree of confidence in the designator is also an important safeguard against basing decisions on uncertain or unstable evidence.

For schools with substantial student transience, while the individual student tracking system is being developed, the Department will allow schools that can track individual students to present evidence for consideration if the results are substantially different than those based on the state’s unmatched data.

It is anticipated that on-going studies will alert the Department if there are changes in school circumstances, population shifts, or unforeseen situations.

**Can you give an example of how the system is fair to a school serving less advantaged students?**

It is recognized that students from lower socio-economic positions, or who have less proficiency in English, usually score lower on achievement tests. Often these are racial or ethnic minority students, although most studies indicate a stronger relationship with socio-economic status. It is not true, however, that these less advantaged students cannot learn. In fact, one of the underlying tenets of the standards movement is that all children can learn, most to higher levels than are currently being achieved. This view that all children can learn is supported by extensive research on the effectiveness of teachers, the power of expectations, and the effect of schools with powerful instructional programs.

If schools were only evaluated on how high their students scored—such as how many were Proficient on a benchmark exam or what percentage passed the HSGQE—then schools serving less advantaged students might be expected to rank low. However, the proposed SDS gives credit to schools for helping their students learn, no matter where they started. So, for example, a school whose grade 4 students were all reading one grade level below would receive credit for helping those students progress one grade’s worth on the exam by the end

of grade 5, as would a school whose students were all reading on level from grade 4 to grade 5. That is, schools get credit for helping students learn, no matter how low or high they start.

**Some schools serve high percentages of students who are mobile. How does the system treat them?**

Statistically speaking, in large enough sample sizes, if the students moving into a school are like the students moving out, then transience should not affect the school's results. Schools should monitor and document changes in population from year to year.

The proposed SDS system includes all students who are enrolled and tested in the school each year, with certain exceptions. One reason for this is to recognize that "all students count" and not to provide any incentive to push students out of the accountability and educational system. A study done by the Department on the limited Alaska data available indicates that using a matched student system would not result in very different school results than the proposed system that compares groups of students. However, the Department is very interested in studying a true student longitudinal growth system that will track growth from year to year for each individual student.

There is a difference between students who are transient within the state, within a district, or who move in or out of the state or in and out of the public school system. The Department is working on establishing a system that will allow student scores to be matched no matter where a student moves within the public school systems within the state, and is planning to study how much such a system should be used in the SDS and what differences it might make.

**When will the school designator system be implemented?**

The Department and Board are proceeding to implement as much of the proposed plan as possible by August 2002, which is required by law. This will include status measures on the benchmark exams and TerraNova CAT/6 in grades three through nine, but few if any growth measures. Due to standard setting for the refocused High School Graduation Qualifying Exam results from the grade 10 students will not be available until late September 2002.

Growth measures on state tests, which require at least two years' data, will first be available for all grades in 2003. It is expected that additional enhancements and refinements will be available in 2004 and after. A possible implementation schedule is indicated on the sample report.

The committee and the Department have expressed concern regarding the designation of schools on the basis of status scores only. The Department is recommending implementation of the designator system in 2004 to allow for the inclusion of growth data, and to more fully develop the capacity of the state and districts to collect, manage and analyze the data gathered by schools and districts.

The reauthorization of the Elementary and Secondary Education Act (ESEA) in December of 2001 also contains a significant number of school and district accountability requirements. The Department of Education and Early Development and the School Designator Committee believes that is critically important to incorporate the new Federal requirements into the Designator System that will be implemented in the state. Implementing the designator system in 2004 will allow the Department to ensure that our state accountability system is consistent with these new federal requirements.

## School Designators- Summary of Issues

**Background-** Current Alaska statutes (Sec. 14.03.123 *School Accountability* and Sec. 14.03.120 *Education Planning*) require the Department of Education and Early Development to develop a system to assign each school in Alaska a designation of Distinguished, Successful, Deficient, or In Crisis by August 2002. The Department is also charged annually to publish a "Report Card to the Public" that includes those school designations beginning January 2003.

To develop a system for designating school performance the Department convened a School Designators Committee to advise in the design and implementation of the school designator system. The Department hired consultants from the National Center for the Improvement of Educational Assessment, Inc. (Center for Assessment) to work with the Committee and Department towards establishing principles and guidelines within which the school designator system would be developed.

**Goals-**We assume that the primary intent of assigning school designation labels is to spur strengthened educational services to all students and to inform the public. The desired long-term outcome of the School Designator System therefore should be better schools, better-educated students, and more informed public and policymakers. The school designator system has been designed to contribute to strengthened education, be appropriate for the wide range of circumstances of Alaska public schools, and be technically sound, legally defensible, and politically acceptable to a wide range of stakeholders.

**Indicators Used To Determine School Designations-**The School Designator System (SDS) will base assignment of school designations upon, student performance on state benchmark and HSGQE assessments, commercial norm-referenced tests, and dropout rate (for high schools). Student performance measures will include Status (most recent performance of students in the school) and Growth (improvement over time of students in successive grades/years). Results from these indicators will be combined to inform a decision about assigning a designation. Additional indicators will be reported, as part of the School Report Card to the Public, but will not be used for determining school designations.

*Calculating a Score for Status-*The Status score will represent the average performance of all students in the school on the various assessments (i.e., benchmark and NRTs). The Status score will be calculated through an index assigning points for each student score in a designated performance level. Scores will be averaged across subjects and grade levels.

Performance on Benchmark Test	Accountability Points
Above Standard	150
Meets Standard	100
Nearly Meets Standard	50
Does Not Meet Standard	0

Calculating a Score for Growth- The Committee determined that growth will account for 2/3 of the total designator score. Growth will be measures based on the improvement made by a class of students from one year to the next year. This measure of improvement, is sensitive to "where students started" and uses classes of students; rather than tracking exactly the same students. Scores will be averaged across subjects and grade levels.

Persistence/Dropout Index- The Committee recommended that dropout or persistence rates should be included as an indicator for high schools. We recommend that persistence rate be used instead of dropout rate, where persistence is the inverse of dropouts: the percentage of students who continue in school.

Report Degree of Certainty-A degree of certainty (reliability) will be reported with each school designation. The degree of certainty should be taken into consideration when interpreting the school designation. The degree of certainty of the school designation would reflect the reliability or decision consistency of the assignment of the designation.

**Implementation Date**-The Department and Board are proceeding to implement as much of the proposed plan as possible by August 2002. This will include status measures on the benchmark exams and TerraNova CAT/6 in grades three through nine, but few if any growth measures. Due to standard setting for the refocused High School Graduation Qualifying Exam results from the grade 10 students will not be available until late September 2002.

Growth measures on state tests, which require at least two years' data, will first be available for all grades in 2003. It is expected that additional enhancements and refinements will be available in 2004 and after. A possible implementation schedule is indicated on the sample report.

The committee and the Department have expressed concern regarding the designation of schools on the basis of status scores only. The Department is recommending implementation of the designator system in 2004 to allow for the inclusion of growth data, and to more fully develop the capacity of the state and districts to collect, manage and analyze the data gathered by schools and districts.

The reauthorization of the Elementary and Secondary Education Act (ESEA) in December of 2001 also contains a significant number of school and district accountability requirements. The Department of Education and Early Development and the School Designator Committee believe that is critically important to incorporate the new Federal requirements into the Designator System that will be implemented in the state. Implementing the designator system in 2004 will allow the Department to ensure that our state accountability system is consistent with these new federal requirements.

Sec. 14.33.110. Purpose of school disciplinary and safety program.

The purpose of AS 14.33.110 - 14.33.140 is to

- (1) implement and maintain community-based standards of school behavior that are developed by students, parents, teachers, school administrators, and the community;
- (2) facilitate the creation of a standard of school behavior and safety by local communities for the schools in those communities;
- (3) protect and support teachers who enforce standards of student behavior and safety in the classroom established under AS 14.33.120 ; and
- (4) ensure that all schools and school districts receiving state funds, that may not have already done so, implement and maintain an effective school disciplinary and safety program.

Sec. 14.33.120. School disciplinary and safety program.

(a) Each governing body shall adopt a written school disciplinary and safety program. The program required under this subsection must include written

- (1) standards for student behavior and safety that reflect community standards and that include, at a minimum, basic requirements for respect and honesty; standards required under this paragraph must be developed and periodically reviewed with the collaboration of members of each school, parents, teachers, and other persons responsible for the students at a school; a governing body may require that standards developed under this paragraph be consistent for all schools in an attendance area or the district; and
  - (2) standards relating to when a teacher is authorized to remove a student from the classroom for
    - (A) failure to follow student behavior and safety standards; or
    - (B) behavior described under AS 14.30.045 (1) or (2);
  - (3) procedures for notifying teachers of dangerous students consistent with AS 47.12.310 (b);
  - (4) standards relating to when a teacher, teacher's assistant, or other person responsible for students is authorized to use reasonable and appropriate force to maintain classroom safety and discipline as described under AS 11.81.430 (a)(2);
  - (5) policies necessary to comply with provisions of state and federal law, including 20 U.S.C. 1400 - 1485 (Individuals with Disabilities Education Act);
  - (6) standards to address needs of students for whom mental health or substance abuse may be a contributing factor to noncompliance with the school disciplinary and safety program;
  - (7) policies for implementing a student conflict resolution strategy, including the nonviolent resolution or mediation of conflicts and procedures for reporting and resolving conflicts;
  - (8) procedures for periodic review and revision of the school disciplinary and safety program.
- (b) A school district shall report information relating to school district disciplinary and safety programs as required by the department, including incidents of disruptive or violent behavior.

Sec. 14.33.130. Enforcement of approved program; additional safety obligations.

- (a) A teacher, a teacher's assistant, a principal, or another person responsible for students may not be

terminated or otherwise subjected to formal disciplinary action for lawful enforcement of an approved school disciplinary and safety program, including behavior standards, adopted under AS 14.33.120 .

(b) A teacher, a teacher's assistant, a principal, or another person responsible for students who

(1) receives information about a student under AS 47.12.310 (b) or receives information that may affect the safety of students or staff shall notify the student's teacher or a school administrator; and

(2) in the course of employment, observes a student committing a crime shall report the crime to the local law enforcement agency; in this paragraph, "crime" has the meaning given in AS 11.81.900 .

Sec. 14.33.140. Civil liability for enforcing disciplinary and safety program.

A teacher, a teacher's assistant, a principal, or another person responsible for students is not liable for civil damage resulting from an act or omission (1) arising out of enforcement of an approved school disciplinary and safety program adopted under AS 14.33.120 ; and (2) arising out of and in the course of employment unless the act or omission constitutes gross negligence or reckless or intentional misconduct.

-----  
Sec. 14.03.120. Education planning.

(a) A district shall annually file with the department, and make available to the public, a report that

(1) establishes district goals and priorities for improving education in the district;

**(2) establishes community based behavior standards developed under 14.33.120**

**(3) [(2)] includes a plan for achieving district goals and priorities and behavior standards; and**

**(4) [(3)] includes a means of measuring the achievement of district goals and priorities and behavior standards; and**

**(5) includes a plan for achieving broader community and parent participation in the development of goals, priorities, and behavior standards.**

(b) The department shall summarize the reports submitted under (a) of this section as a statewide report, provide a copy to the governor, and notify the legislature that the report is available.

(c) A district shall make efforts to encourage students, parents, teachers, and other members of the community to participate in the preparation of the report submitted under (a) of this section.

(d) Annually, before the date set by the district under (e) of this section, each public school shall provide, in a public meeting of parents, students, and community members, a report on the school's performance and the performance of the school's students. The report shall be prepared on a form prescribed by the department and must include

(1) information on accreditation;

(2) results of norm-referenced achievement tests;

(3) results of state standards-based assessments in reading, writing, and mathematics;

(4) a description, including quantitative and qualitative measures, of student, parent, community, and business involvement in student learning **and maintenance of student behavior standards;**

(5) a description of the school's attendance, retention, dropout, and graduation rates, including the number

and percentage of students who received a diploma under a waiver from the competency examination required under AS 14.03.075 (a), as specified by the state board;

(6) the annual percent of enrollment change, regardless of reason, and the annual percent of enrollment change due to student transfers into and out of the school district;

(7) if Native language education is provided, a summary and evaluation of the curriculum described in AS 14.30.420 ; and

(8) the number and percentage of students in each school who take and who successfully complete an alternative assessment program in reading, English, or mathematics; and the number and percentage of pupils in each school who successfully complete the alternative assessment program but who do not reach the state performance standards at the competency exam level in reading, English, or mathematics; a school may not report results under this paragraph unless the school complies with the family educational rights and privacy requirements of 34 C.F.R. 99.

(e) By a date set by the district, each public school in the district shall provide the report described in (d) of this section to the district's governing body. Along with the report, each public school shall submit a summary of comments made on the report by parents, students, and community members. By July 1 of each year, beginning in 2000, each district shall provide to the department a report on the performance of each public school and the public school students in the district. The district's report must

(1) be entitled "School District Report Card to the Public"; and

(2) include

(A) copies of the reports and summaries of comments submitted under this section by each public school in the district; and

(B) a compilation of the material described in (A) of this paragraph by each public school in the district.

(f) By January 15 of each year, beginning in 2001, the department shall provide to the governor and make available to the public and the legislature a report on the performance of public schools in this state. The report must be entitled "Alaska's Public Schools: A Report Card to the Public." The report must include

(1) comprehensive information on each public school compiled, collected, and reported under (d) and (e) of this section for the prior school year;

(2) a summary of the information described in (1) of this subsection; the summary must be prepared in a manner that allows school performance to be measured against established state education standards; and

(3) for a report due by or after January 15, 2003, the performance designation under AS 14.03.123 (b) received by each public school during the prior school year.

(g) In this section, "district" has the meaning given in AS 14.17.990 .

#### Sec. 14.03.123. School accountability.

(a) Beginning in August [2002] ~~2004~~, and during each of the following 12-month periods, the department shall assign each public school in each district the performance designation of distinguished, successful, deficient, or in crisis based on multiple student measures, including student achievement and parent and community involvement. The state board of education and early development shall establish this process by regulation.

(b) A public school assigned a performance designation of deficient or in crisis shall develop a school improvement plan under (e) of this section. The department shall inform the governing body of each district of the performance designation assigned to each public school in the district.

(c) The state board shall adopt regulations to allow a district to appeal the performance designation assigned to a public school in that district.

(d) The department may establish a program of special recognition for those public schools that achieve a distinguished performance designation.

(e) A public school that receives a designation of deficient or in crisis shall prepare a school improvement plan to improve student performance based on a process established by the state board of education and early development. The public school shall undertake an improvement process under that plan to lead to a designation of successful or distinguished. The school improvement plan must be prepared with the maximum feasible public participation of the community, including, if appropriate, interested individuals, teachers, parents, parent organizations, students, tribal organizations, local government representatives, and other community groups. The district shall consult with and assist the public school in the preparation of the school improvement plan. The school improvement plan must be approved by the local school board. The commissioner may provide technical assistance to a public school or the district at any time during the preparation and implementation of the school improvement plan on the request of an interested person and the approval of the district.

(f) Beginning August 1, [2002] 2004, and periodically during each of the following 12-month periods, the department shall monitor the progress of the implementation of each school improvement plan prepared under (e) of this section.

(g) The department may use existing staff or contract with one or more qualified persons to assist a public school that is deficient or in crisis under this section to improve student performance. Qualified persons to provide assistance under this section include educators, business leaders, members of the governing body of that district, and community leaders. The provisions of AS 36.30 do not apply to a contract awarded under this subsection.

(h) Notwithstanding any other provisions in this title, if the performance designation of a public school has continued to be deficient or in crisis for two consecutive school years, the chief school administrator, if the district employs a chief school administrator, the president of the governing body, and the principal of the public school shall, at a public meeting of the state board of education and early development, present a written report on the performance of that public school.

(i) The state board of education and early development shall develop, by regulation, measures that may be progressively implemented by the commissioner to assist a public school to improve student performance in accordance with this section.

(j) In this section, "district" has the meaning given in AS 14.17.990 .

**ANCHORAGE SCHOOL DISTRICT  
ASDR**

**A RESOLUTION IN SUPPORT OF DELAYING THE SCHOOL DESIGNATORS  
UNTIL 2004.**

**WHEREAS**, in 1998, the legislature passed the school accountability law requiring school designators to be established in each Alaskan school in August 2002; and

**WHEREAS**, the School Designator Committee has recommended the school designators be based on both achievement status and achievement growth which requires a minimum of two years of achievement data on the same students using the same tests and growth data that will not be available in August, 2002; and,

**WHEREAS**, effective in the spring of 2002, the Alaska State Board of Education and Early Development will replace the California Achievement Test (CAT) – Fifth Edition (part of the statewide assessment for the past seven years) with the TerraNova/CAT/6 – 2<sup>nd</sup> Edition; and,

**WHEREAS**, the reauthorization of the Elementary and Secondary Education Act (ESEA) in December of 2001 contains a significant number of school and district accountability requirements that will need to be incorporated into the School Designator System; and

**WHEREAS**, in 2001, the legislature passed a law to revise the High School Graduation Qualifying Exam (HSGQE) to make sure it measures "essential" skills and knowledge and to extend its effective date to 2004; and

**WHEREAS**, designating a school as deficient or in crisis on the basis of test scores alone ignores certain factors such as the high level of mobility that occurs in our schools; and

**WHEREAS**, schools in low socioeconomic areas, schools in highly transient communities and schools designed to serve high needs populations are more likely to be labeled deficient as a result of factors other than the quality of education being delivered.

**NOW THEREFORE BE IT RESOLVED**, that the Anchorage School Board supports delaying the effective date until 2004 to align it with the High School Graduation Qualifying Exam; and

**BE IT FURTHER RESOLVED**, that the Anchorage School Board urges caution in labeling schools on the basis of test scores alone.

**PASSED AND APPROVED** by the Anchorage School Board this 11th day of February, 2002.

# MEMORANDUM

State of Alaska  
Department of Education  
& Early Development

To: Representative Fred Dyson

Date: March 4, 2002

Phone: 465-8678

FAX:

File:

From: Ed McLain, Ed.D.  
Deputy Commissioner

Subject: Recommendations

Thank you for the opportunity to discuss your recommendations regarding the reporting requirements you are recommending for AS 14.33.110-14.33.140.

As a result of our conversation, the department is willing to commit to the following:

We will state on the public record during the hearing on HB 352 in House HES committee that we will amend our current regulations to collect information from districts indicating compliance with AS 14.33.110-140. As per our conversation, we intend to notify districts that this provision will become effective for the 2002-2003 school year. (see attached memo) Districts will provide the department with a short summary of:

- the process and procedures used to establish their community based behavior standards
- their means of assessment of the effectiveness of their behavioral standards
- their on-going plans for involving parents and the community in the evaluation and updating of their behavioral standards.

These summaries will be made available to the legislature as part of the February 15 report in other areas of school performance, as well as be included on the departmental web site.

We fully expect to involve the legislature as we look forward to the impacts of data collection and reporting in this area as required by the reauthorization of the Elementary and Secondary Education Act (ESEA.)

It is our hope that these actions will begin to address some of the concerns and issues raised.

Please feel free to contact our office if we can provide further clarification.

**TONY KNOWLES, GOVERNOR**

**Department of Education & Early Development**  
*Office of the Commissioner*

*Goldbelt Place  
801 West Tenth Street, Suite 200  
Juneau, Alaska 99801-1894  
(907) 465-2800  
(907) 465-4156 Fax*

**To:** Superintendents

**From:** Ed McLain, Deputy Commissioner

**Date:** March 7, 2002

**Subject:** School Disciplinary and Safety Program Legislation

\*\*\*\*\*

You may recall that during the 2000 legislative session, an important piece of legislation was passed related to school disciplinary and safety programs.

Chapter 114, SLA 00 (effecting AS 14.33.110-14.33.140) required districts to work with their communities to develop school disciplinary and safety standards and related policies; including the establishment of community based behavioral standards. These standards, plans and related policies should be kept on file at the district level and do not need to be submitted to the Department of Education & Early Development.

The department will confirm compliance with the above requirements through a reporting process beginning in the 2002-2003 school year. Districts will provide the department with a short summary of:

- the process and procedures used to establish their community based behavior standards
- their means of assessment of the effectiveness of their behavioral standards
- their on-going plans for involving parents and the community in the evaluation and updating of their behavioral standards.

These summaries will be made available to the legislature as part of the annual February 15 report in other areas of school performance, as well as be included on the departmental web site.

Please feel free to contact our office if you need further information or guidance to meet these requirements.

March 5, 2002



Larry Wiget, Executive Director, Public Affairs

(W) 907-742-4322 (F) 907-742-4175

## HB 352, Delay of School Designators

Thank you for the opportunity to provide the House Education and Social Services Committee with written testimony on HB 352.

The Anchorage School Board urges caution in labeling schools on the basis of test scores alone and supports legislation that delays the effective date of the school designator process from August 2002 to 2004.

Senate Bill 36, which became AS 14.07.020(b).5., requires the State Board to develop an annual system of rating schools, and designate each school by August 2002 in one of four categories: distinguished, successful, deficient, and in crisis. The categories are to be based on a school's student test scores and other indicators of student performance.

The Anchorage School Board supports assessment of student progress and the accountability implicit in this legislation. However, designating a school as deficient or in crisis on the basis of test scores alone ignores certain factors such as the high level of mobility that occurs in our schools. This means that the students being measured on the benchmark exams in the spring may not be the students who started at the school in the fall.

In addition, labeling on test scores alone has the high potential to be misleading and adversely affect families and neighborhoods. Schools in low socioeconomic areas, schools in highly transient communities and schools designed to serve high needs populations are more likely to be labeled deficient as a result of factors other than the quality of education being delivered.

**Attached please find a copy of a resolution, passed by the Anchorage School board on February 11, 2002, in support of delaying the school designators until 2004**

Attn: Mike Ford

from Jason Hooley - HESS Committee Aide x3759

We need a CS HB 352 (HES)

AMENDMENT

OFFERED IN THE HOUSE

BY \_\_\_\_\_

TO: HB 352

- ① 1 Page 2, line 11:
- 2 Delete "AS 14.23.123(f)"
- 3 Insert "AS 14.03.123(f)"

② Page 2, line 5  
replace 2004 with 2003

③ Page 2, line 12  
replace 2005 with 2004

Thank you.



22-GH2081\C

Ford

3/6/02

**CS FOR HOUSE BILL NO. 352(HES)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:

Referred:

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

**A BILL****FOR AN ACT ENTITLED**

1 "An Act extending the dates for assignment of performance designations of public  
2 schools and the dates for reports and monitoring based on those designations; and  
3 providing for an effective date."

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

5 \* Section 1. AS 14.03.120(f) is amended to read:

6 (f) By January 15 of each year, beginning in 2001, the department shall  
7 provide to the governor and make available to the public and the legislature a report on  
8 the performance of public schools in this state. The report must be entitled "Alaska's  
9 Public Schools: A Report Card to the Public." The report must include

10 (1) comprehensive information on each public school compiled,  
11 collected, and reported under (d) and (e) of this section for the prior school year;

12 (2) a summary of the information described in (1) of this subsection;  
13 the summary must be prepared in a manner that allows school performance to be  
14 measured against established state education standards; and

1 (3) for a report due by or after January 15, 2005 [2003], the most  
2 recent performance designation under AS 14.03.123 [AS 14.03.123(b)] received by  
3 each public school [DURING THE PRIOR SCHOOL YEAR].

4 \* **Sec. 2.** AS 14.03.123(a) is amended to read:

5 (a) Beginning in September 2003 [AUGUST 2002], and during each of the  
6 following 12-month periods, the department shall assign each public school in each  
7 district the performance designation of distinguished, successful, deficient, or in crisis  
8 based on multiple student measures, including student achievement of essential skills.  
9 The state board of education and early development shall establish this process by  
10 regulation.

11 \* **Sec. 3.** AS 14.03.123(f) is amended to read:

12 (f) Beginning January 1, 2004 [AUGUST 1, 2002], and periodically during  
13 each of the following 12-month periods, the department shall monitor the progress of  
14 the implementation of each school improvement plan prepared under (e) of this  
15 section.

16 \* **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).