

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672
11038 HOUSE STATE AFFAIRS

Testimony to House State Affairs Committee March 11, 2003

Mr. Chairman and Committee Members -

My name is Marie Darlin, I am Coordinator of the AARP Capital City Task Force. You have received a letter from our State Office regarding our concern about HB 158, which does away with the Senior Longevity Bonus. I want to add a few additional comments.

The Longevity Bonus is important to many seniors and is phasing itself out. The cost has dropped 13 million in the last four years and will continue to decrease. One of the reasons for the longevity bonus was to keep our seniors in Alaska, and they are staying, as our statistics show. The 65+ population in December 2001 was about 45,000. There are reasons you should want them to stay in Alaska, and the bonus helps them do that.

Governor Murkowski wants to grow Alaska with resources and business. Seniors are both, although they are usually overlooked or ignored when either is mentioned. I would refer you to the December 2001 study entitled "Issues Affecting the Economic Well-Being of Alaska Seniors" prepared by the McDowell Group for the Alaska Commission on Aging, and also to the Dept. of Labor Trends issue of December 2001

Seniors are a basic industry. They bring revenue into the state -- retirement pensions income, investments and assets, medicare and medical payments, veterans benefits, SS payments, etc -- that came to a total of 1 billion, 217 million in 1999. Most of it was spent here. If you apply the multiplier of two to this income this is a 2.4 billion impact on our economy generating more income than most of the state's leading industries. Also, the 47 million the Governor saves by eliminating the bonus takes 94 million out of Alaska's economy.

And that is not all - The seniors are also an important resource

p. 2

that gets overlooked most of the time. 20,000 seniors over age 60 provide 400,000 hours a month of volunteer time to our communities. This is the equivalent of 2400 full time jobs worth approximately 60 million per year. Many non-profit organizations could not exist without this help.

Then we have the senior caregivers who provide an average of 20 days per month of unpaid care to someone. That is an equivalent of 6300 full time jobs.

In 1999 there were 6,000 Alaska seniors living on less than \$1,000 per month, and the Longevity Bonus is important to them. That is the poverty level. 8% of our seniors are at or below the poverty line and many more (over 40%) have incomes less than the HUD low income level. The Bonus provides 10% of the income for most single seniors and 22% for a couple.

The seniors in Alaska are an important part of our communities and critical to many of our families. We would hope that even those new seniors who do not qualify for the Bonus would support our seniors who do, and hope to spend the rest of their lives here.

These statistics show how our seniors fit into the economy. I want to thank the Alaska Commission on Aging for the McDowell Study, which has been needed for a long time. And I urge all legislators to read it.

Thank you for your time.

HB

161

CS FOR HOUSE BILL NO. 161(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

OF THE HOUSE STATE AFFAIRS COMMITTEE

**Referred:
Referred:**

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

A BILL

FOR AN ACT ENTITLED

"An Act relating to the correctional industries program."

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

*** Section 1.** AS 33.32.015(b) is amended to read:

(b) The commissioner of corrections may

(1) subject to AS 36.30 (State Procurement Code), use, purchase, lease, equip, and maintain buildings, machinery, and other equipment, and may purchase materials and enter into contracts that may be necessary for the correctional industries program;

(2) provide for prisoners to be employed in rendering services and producing articles, materials, and supplies needed by a state agency, a political subdivision of the state, an agency of the federal government, other states or their political subdivisions, or for use by nonprofit organizations or other companies;

(3) if the Correctional Industries Commission established in AS 33.32.070 approves, employ prisoners to provide services or products as needed by private industry if the services or products have potential for contributing to the

economy of the state and will be of benefit to [HAVE MINIMAL NEGATIVE IMPACT ON] an existing private industry or labor force in the state;

(4) authorize a prisoner to engage in vocational training or in productive employment within or outside a correctional facility, or enter into a contract under AS 33.30.191 for the employment of a prisoner if the Correctional Industries Commission determines that the employment will be of benefit to [HAVE MINIMAL NEGATIVE IMPACT ON] an existing private industry or labor force in the state; and

(5) subject to the provisions of AS 36.30 (State Procurement Code), enter into joint cooperative ventures with private industry for the establishment and operation of "Free Venture" industries under AS 33.32.017 if the Correctional Industries Commission determines at the time of inception that the "Free Venture" industry will not compete with an existing private industry or labor force in the state.

* **Sec. 2.** AS 33.32.020(a) is amended to read:

(a) There is established in the Department of Corrections an intragovernmental service fund known as the correctional industries fund. All expenses of the correctional industries program [, EXCEPT SALARIES AND BENEFITS OF STATE EMPLOYEES,] may be financed from the correctional industries fund in accordance with AS 37.07 (the Executive Budget Act). The commissioner of corrections shall prepare a report annually on all activities and balances of the fund and notify the legislature that the report is available.

* **Sec. 3.** AS 33.32.030(b) is amended to read:

(b) The commissioner of corrections may sell a product or service of a correctional industries program to a private industry, subject to the approval of the Correctional Industries Commission established in AS 33.32.070. Before giving its approval, the Correctional Industries Commission must determine that the product or service has potential for contributing to the economy of the state and will be of benefit to [HAVE MINIMAL NEGATIVE IMPACT ON] an existing private industry or labor force in the state.

* **Sec. 4.** AS 33.32.080(c) is amended to read:

(c) The Correctional Industries Commission shall recommend to the

commissioner of corrections the advisability of establishing, expanding, diminishing, or discontinuing industrial, agricultural, or service activities to enable the program to operate as nearly as possible in a self-supporting manner, to provide as much employment for prisoners as is feasible, to provide diversified work activities that will be of benefit to [WITH MINIMAL NEGATIVE IMPACT ON] an existing private industry or labor force in the state, and contribute to the economy of the state. In making recommendations, the Correctional Industries Commission shall consider testimony received at public hearings.

* **Sec. 5.** This Act takes effect July 1, 2004.

ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH



ALASKA
STATE CAPITOL
JUNEAU, ALASKA
99801-1182

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FAX (907) 465-2273

STATE AFFAIRS COMMITTEE

Fax

To: Legislative Legal/Jerry Luckhaupt From: Ginny Austerman

Fax: 2029

Date: April 8, 2003

Phone: 2450

Pages: one

Re: CS SB 83

CC:

Urgent For Review Please Comment Please Reply

•Comments:

Jerry:

House State Affairs adopted the work draft for CS HB 161

Version D with no changes.

Please complete a final draft of CS HB 161.

Thank you

Ginny

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

April 2, 2003

SUBJECT: Correctional Industries and Employment of Prisoners -
CSHB 161(STA) DRAFT (Work Order No. 23-GH1104D)

TO: Representative Bruce Weyhrauch
Attn: Ginny Austerman

FROM: Gerald P. Luckhaupt *JERRY*
Legislative Counsel

Enclosed is the draft CS(STA) you requested. I have two comments. The first comment relates to the removal of the phrase "minimal negative impact" from the statutes relating to correctional industries. This phrase occurs in the corrections statutes in one other place in the context of employment of prisoners. AS 33.30.191(b) provides:

(b) The commissioner may enter into contracts or cooperative agreements with any public agency for the performance of conservation projects. The commissioner may enter into a contract with an individual or agency for the employment of prisoners if the work to be performed will **have minimal negative impact on** an existing private industry or labor force in the state as determined by the Correctional Industries Commission under AS 33.32.015.

*4/8/03
this change still
needs to be
made.
Ginn*

The rationale for the removal of the phrase from AS 33.32 may apply here as well.

The second comment relates to the addition of "or other companies" to AS 33.32.015(b)(2). In the bill draft, AS 33.32.015(b)(3) and (4) allow prisoners to be employed to provide products or services to private industry if that labor will be of benefit to an existing industry or labor force. but AS 33.32.015(b)(2) allows prisoners to be employed in rendering services and producing products to governmental agencies and nonprofits (existing law) and to companies (presumably including private companies) without limitation. AS 33.32.015(b)(3) and (4) have limitations on prisoner labor that are completely taken away by AS 33.32.015(b)(2). Is this intended?

GPL:lmb
03-130.lmb

Enclosure

23-GH1104D
Luckhaupt
4/2/03

CS FOR HOUSE BILL NO. 161(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

**Offered:
Referred:**

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

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5 (1) subject to AS 36.30 (State Procurement Code), use, purchase,
6 lease, equip, and maintain buildings, machinery, and other equipment, and may
7 purchase materials and enter into contracts that may be necessary for the correctional
8 industries program;

9 (2) provide for prisoners to be employed in rendering services and
10 producing articles, materials, and supplies needed by a state agency, a political
11 subdivision of the state, an agency of the federal government, other states or their
12 political subdivisions, or for use by nonprofit organizations or other companies;

13 (3) if the Correctional Industries Commission established in
14 AS 33.32.070 approves, employ prisoners to provide services or products as needed by
15 private industry if the services or products have potential for contributing to the

1 economy of the state and will be of benefit to [HAVE MINIMAL NEGATIVE
2 IMPACT ON] an existing private industry or labor force in the state;

3 (4) authorize a prisoner to engage in vocational training or in
4 productive employment within or outside a correctional facility, or enter into a
5 contract under AS 33.30.191 for the employment of a prisoner if the Correctional
6 Industries Commission determines that the employment will be of benefit to [HAVE
7 MINIMAL NEGATIVE IMPACT ON] an existing private industry or labor force in
8 the state; and

9 (5) subject to the provisions of A. 36.30 (State Procurement Code),
10 enter into joint cooperative ventures with private industry for the establishment and
11 operation of "Free Venture" industries under AS 33.32.017 if the Correctional
12 Industries Commission determines at the time of inception that the "Free Venture"
13 industry will not compete with an existing private industry or labor force in the state.

14 * **Sec. 2.** AS 33.32.020(a) is amended to read:

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16 service fund known as the correctional industries fund. All expenses of the
17 correctional industries program [, EXCEPT SALARIES AND BENEFITS OF STATE
18 EMPLOYEES,] may be financed from the correctional industries fund in accordance
19 with AS 37.07 (the Executive Budget Act). The commissioner of corrections shall
20 prepare a report annually on all activities and balances of the fund and notify the
21 legislature that the report is available.

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24 correctional industries program to a private industry, subject to the approval of the
25 Correctional Industries Commission established in AS 33.32.070. Before giving its
26 approval, the Correctional Industries Commission must determine that the product or
27 service has potential for contributing to the economy of the state and will be of benefit
28 to [HAVE MINIMAL NEGATIVE IMPACT ON] an existing private industry or
29 labor force in the state.

30 * **Sec. 4.** AS 33.32.080(c) is amended to read:

31 (c) The Correctional Industries Commission shall recommend to the

1 commissioner of corrections the advisability of establishing, expanding, diminishing,
2 or discontinuing industrial, agricultural, or service activities to enable the program to
3 operate as nearly as possible in a self-supporting manner, to provide as much
4 employment for prisoners as is feasible, to provide diversified work activities that will
5 be of benefit to [WITH MINIMAL NEGATIVE IMPACT ON] an existing private
6 industry or labor force in the state, and contribute to the economy of the state. In
7 making recommendations, the Correctional Industries Commission shall consider
8 testimony received at public hearings.

9 * **Sec. 5.** This Act takes effect July 1, 2004.

HB 161

Letter of Intent

The Legislature supports using the Correctional Industries Fund to pay for salaries and benefits of employees of the Correctional Industries Program. The Legislature supports the Program and has supported past funding by using general fund dollars. In the event that the Fund is unable to pay for the salary and benefit costs associated with the employees of the Program, then the Legislature will make every attempt to find alternative funding or return to funding through general funds.

Bligh

4-5-03

Rep. Bruce Weyhrauch
Chair - House State Affairs

ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH



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STATE AFFAIRS COMMITTEE

Fax

To: Legislative Legal	From: Ginny Austerman
Fax: 465-2029	Date: April 2, 2003
Phone: 465-2450	Pages: one
Re: CS HB 161	CC:

Urgent For Review Please Comment Please Reply

•Comments: **Please process a CS HB 161.**

Yesterday, the House State Affairs Committee heard HB 161 which speaks to the Correctional Industries statute. Suggestions to further improve the statute include the following:

Sec. 33.32.015 (2) on the last line of that section after the word organizations insert ", other companies;"

In that same section under (3) on line four change the words, "have minimal negative impact on" to "be of benefit to"

In that same section under (4) on line four change the words,

"have minimal negative impact on" to "be of benefit to"

In Sec. 33.32.030 (b) on line 5 change the words, "have minimal negative impact on" to "be of benefit to"

In Sec. 33.32.080 (c) on line 5 change the words, "with minimal negative impact on" to "which will be of benefit to"

Change the effective date on the bill to July 1, 2004 in order to allow the department time to implement the changes.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 161
(H) Publish Date: 3/5/03

Revision Date/Time (Note if correction): 2/05/03 - 7:45am Dept. Affected: Department of Corrections
Title: Correctional Industries Program Fund BRU: Administration & Operations
Component: Correctional Industries
Sponsor: _____ Administration: _____
Requester: _____ Component No.: 701

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	(963.2)	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
1059 Correctional Industries Fund	963.2	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

The Department proposes to Amend AS 33.32.020 which governs Prison Industries, to allow the administrative costs of the program to be paid from the Correctional Industries Fund, as opposed to the General Fund. This change will involve the personnel costs of 14 Correctional Industries positions and will require that the Correctional Industries Fund produce sufficient revenue to support the administrative positions. A fund source change of \$963.2 from General Funds to the Correctional Industries Fund is being requested in the Department's FY2004 Budget Submission. A legislative change is necessary to allow Correctional Industries to pay state employee salaries with product revenues.

Prepared by: Jerry D. Burnett, Director
Division: Administrative Services
Approved by: Portia C.K. Parker, Deputy Commissioner
Agency: Department of Corrections

Phone 465-3339
Date/Time 3/5/03 7:45 AM
Date 3/5/2003

FRANK H. MURKOWSKI
GOVERNOR
GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA
OFFICE OF THE GOVERNOR
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HB141
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March 5, 2003

The Honorable Pete Kott
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of art. III, sec 18, of the Alaska Constitution, I am transmitting a bill that would allow the administrative costs of the Correctional Industries Program to be paid from product revenues instead of the general fund.

Currently, 14 Correctional Industries positions are paid from the general fund. By allowing employee salaries to be paid from the correctional industries fund, we are taking the first step toward making the program self-sufficient. This change is consistent with my FY04 amended budget. A legislative change is required to allow state employees' salaries to be paid from the Correctional Industries Fund.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Frank H. Murkowski".

Frank H. Murkowski
Governor

Component: Correctional Industries Product Cost

Contact: Wally Roman, Correctional Industries Manager

Tel: (907) 465-3309 Fax: (907) 465-3314 E-mail: wally_roman@correct.state.ak.us

Component Mission

To assist in the rehabilitation of inmates by providing marketable work skills.

Component Services Provided

To operate the following Correctional Industries Product service enterprises:

- Juneau Commercial Laundry
- Fairbanks Garment/Flat Goods Shop
- Kenai Office Furniture Systems Plant
- Eagle River Garment Shop
- Kenai Metals Plant
- Seward Wood Furniture Plant
- Palmer Auto Body Shop
- Juneau Staph Guard Hospital Laundry (a private cooperative venture)

generates approx. 4.1 mil in revenues

Component Goals and Strategies

Accomplish the following goals through sound, business-like procedures that will reduce the potential dangers of inmate idleness.

- Structure the program and work environment to increase the prisoners' financial responsibility; provide as many jobs for prisoners as possible; allow prisoners to acquire or improve work habits and occupational skills; and increase the probability of opportunities for employment after release.
- Provide vocational training and realistic work activity to prepare offenders for post-incarceration experiences.
- Modify behavior (work habits/marketable skills) of sentenced individuals through reinforcing society's work ethic.
- Produce a quality product or service, competitively priced and delivered in a timely fashion that will generate revenues.
- Manage the program so that it will support all expenses of the program, including administration, by generating a self sufficient amount of money from the sale of products and services.

Key Component Issues for FY2003 – 2004

- The Correctional Industries Program primarily markets its products to state agencies and political sub-divisions. Changes in mandatory contract awards will require Correctional Industries to re-evaluate its current pricing, and production scheduling of existing product lines to allow for the most efficient utilization of existing production capacity.
- The Correctional Industries Program will be working in conjunction with the Division of Agriculture to transition management of the Mt. McKinley Meats operation to a potential private sector entity.
- An analysis of state agency needs may require the introduction of new standardized products and revised manufacturing processes. New processes are designed to increase the quality of correctional industries products.
- Repeated turnover in inmate employees requires more on-the-job training to maintain quality of finished products and timely delivery to customers. As the number of additional inmate employees increases, production capability is reduced.
- Continued development of a web page catalog with additional improvements will increase the capability of Alaska Correctional Industries to provide marketing and delivery information to customers.

Major Component Accomplishments in 2002

- Approximately 228,345 annual hours of inmate employment were provided through on-the-job vocational training. This on-the-job training encouraged the development of acceptable work ethics by those employed inmates.
- Attained gross sales of \$3,206,770 in Correctional Industries provided products and services allowing all operations to be self-supporting.
- Pilot non-mandatory State of Alaska contracts were established to increase correctional industries service to state agency customers and as a method to streamline the marketing of the program's ergonomic chair products.
- Continuation of an existing private sector contract for a private cooperative venture to employ inmates at the Lemon Creek Correctional Center. Additional private sector companies were identified as free venture partners to market correctional industries products assisting growth in the Alaskan economy.
- Procedures relating to partnerships with private sector enterprises were again re-evaluated by the Correctional Industries Commission in order to identify potential methods for expanding private sector joint ventures.

Statutory and Regulatory Authority

- 1) Probation, Prisons and Prisoners (AS 33)
- 2) Welfare, Social Services and Institutions (AS 47)
- 3) Health and Safety (AS 18)
- 4) Criminal Law (AS 11)
- 5) Public Finance (AS 37)
- 6) State Government (AS 44)
- 7) Create Corrections (EX.OR.55)
- 8) Corrections (22 AAC)

Correctional Industries Product Cost

Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	55.7	47.7	47.7
73000 Contractual	593.6	514.0	514.0
74000 Supplies	2,285.1	3,140.9	3,140.9
75000 Equipment	3.6	48.5	48.5
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	293.8	399.5	399.5
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,231.8	4,150.6	4,150.6
Funding Sources:			
1059 Correctional Industries Fund	3,231.8	4,150.6	4,150.6
Funding Totals	3,231.8	4,150.6	4,150.6

*Costs are
 150,000
 less the amount*

Correctional Industries Product Cost

Proposed Changes in Levels of Service for FY2004

No GF funding is included in the Correctional Industries Administration component for FY 04. Legislation is necessary to allow state employee salaries to be paid from product cost revenues. The Mt. McKinley meat plant will no longer be run by the department.

Summary of Component Budget Changes

From FY2003 Authorized to FY2004 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	0.0	0.0	4,150.6	4,150.6
FY2004 Governor	0.0	0.0	4,150.6	4,150.6

Component Detail
Department of Corrections

Component: Correctional Industries Product Cost (702)
BRU: Administration & Operations (271)

	FY2002 Actuals	FY2003 Conference Committee	FY2003 Authorized	FY2003 Management Plan	FY2004 Governor	FY2003 Management Plan vs FY2004 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	55.7	47.7	47.7	47.7	47.7	0.0	0.0%
73000 Contractual	593.6	514.0	514.0	514.0	514.0	0.0	0.0%
74000 Supplies	2,285.1	3,140.9	3,140.9	3,140.9	3,140.9	0.0	0.0%
75000 Equipment	3.6	48.5	48.5	48.5	48.5	0.0	0.0%
76000 Land/Buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Claims	293.8	399.5	399.5	399.5	399.5	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	3,231.8	4,150.6	4,150.6	4,150.6	4,150.6	0.0	0.0%
Funding Sources:							
1059 Corr. Ind.	3,231.8	4,150.6	4,150.6	4,150.6	4,150.6	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Description

Department of Corrections

Component: Correctional Industries Product Cost (702)

BRU: Administration & Operations (271)

Change Record Title	Trans Type	Totals	Personal Services	Travel	Contractual	Supplies	Equipment	Land/ Buildings	Grants Claims	Positions				
										Misc.	PFT	PPT	NP	
		***** Changes From FY2003 Conference Committee To FY2003 Authorized *****												
Conference Committee	ConfCom	4,150.6	0.0	47.7	514.0	3,140.9	48.5	0.0	399.5	0.0	0	0	0	
1059 Corr. Ind.		4,150.6												
		Subtotal	4,150.6	0.0	47.7	514.0	3,140.9	48.5	0.0	399.5	0.0	0	0	0
		***** Changes From FY2003 Authorized To FY2003 Management Plan *****												
		Subtotal	4,150.6	0.0	47.7	514.0	3,140.9	48.5	0.0	399.5	0.0	0	0	0
		***** Changes From FY2003 Management Plan To FY2004 Governor *****												
		Totals	4,150.6	0.0	47.7	514.0	3,140.9	48.5	0.0	399.5	0.0	0	0	0

Component: Correctional Industries Administration

Contact: Wally Roman, Correctional Industries Manager

Tel: (907) 465-3309 Fax: (907) 465-3314 E-mail: wally_roman@correct.state.ak.us

Component Mission

To assist in the rehabilitation of inmates by providing marketable work skills.

Component Services Provided

To manage and operate the Correctional Industries Production service enterprises.

Component Goals and Strategies

- Make a positive contribution to the Alaskan economy through cooperative efforts with labor organizations and private businesses and to minimize the negative impact of the program upon existing private enterprises and labor force in the State.
- Develop and operate agricultural, industrial, and service enterprises under the jurisdiction of the department.
- Structure the program and work environment to increase the prisoners' financial responsibility; provide as many jobs for prisoners as possible; allow prisoners to acquire or improve work habits and occupational skills; and increase the probability of opportunities for employment after release.
- Maintain high standards of quality in all products and services generated through the program.
- Manage the program so that it will support all expenses of the program, including administration, by generating a self sufficient amount of money from the sale of products and services.
- Ensure that all aspects of the Correctional Industries Program are consistent with proper penal administration and integrated with other programs and services within the department.

Key Component Issues for FY2003 – 2004

- The Correctional Industries Program primarily markets its products to state agencies and political sub-divisions. Changes in mandatory contract awards will require Correctional Industries to re-evaluate its current pricing, and production scheduling of existing product lines to allow for the most efficient utilization of existing production capacity.
- The Correctional Industries Program will be working in conjunction with the Division of Agriculture to transition management of the Mt. McKinley Meats operation to a potential private sector entity.
- An analysis of state agency needs may require the introduction of new standardized products and revised manufacturing processes. New processes are designed to increase the quality of correctional industries products.
- Repeated turnover in inmate employees requires more on-the-job training to maintain quality of finished products and timely delivery to customers. As the number of additional inmate employees increases, production capability is reduced.
- Continued development of a web page catalog with additional improvements will increase the capability of Alaska Correctional Industries to provide marketing and delivery information to customers.

Major Component Accomplishments in 2002

- Approximately 228,345 annual hours of inmate employment were provided through on-the-job vocational training. This on-the-job training encouraged the development of acceptable work ethics by those employed inmates.
- Attained gross sales of \$3,206,770 in Correctional Industries provided products and services allowing all operations to be self-supporting.
- Pilot non-mandatory State of Alaska contracts were established to increase correctional industries service to state agency customers and as a method to streamline the marketing of the program's ergonomic chair products.

- Continuation of an existing private sector contract for a private cooperative venture to employ inmates at the Lemon Creek Correctional Center. Additional private sector companies were identified as free venture partners to market correctional industries products assisting growth in the Alaskan economy.
- Procedures relating to partnerships with private sector enterprises were again re-evaluated by the Correctional Industries Commission in order to identify potential methods for expanding private sector joint ventures.

Statutory and Regulatory Authority

- 1) Probation, Prisons and Prisoners (AS 33)
- 2) Welfare, Social Services and Institutions (AS 47)
- 3) Health and Safety (AS 18)
- 4) Criminal Law (AS 11)
- 5) Public Finance (AS 37)
- 6) State Government (AS 44)
- 7) Create Corrections (EX.OR.55)
- 8) Corrections (22 AAC)

Correctional Industries Administration

Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,172.3	1,202.2	963.2
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	0.0	0.0
74000 Supplies	0.3	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,172.6	1,202.2	963.2
Funding Sources:			
1004 General Fund Receipts	1,139.0	1,202.2	0.0
1007 Inter-Agency Receipts	33.6	0.0	0.0
1059 Correctional Industries Fund	0.0	0.0	963.2
Funding Totals	1,172.6	1,202.2	963.2

Correctional Industries Administration

Proposed Changes in Levels of Service for FY2004

No GF funding is included in this component for FY 04. Legislation is necessary to allow state employee salaries to be paid from product cost revenues. The Mt. McKinley meat plant will no longer be run by the department.

Summary of Component Budget Changes

From FY2003 Authorized to FY2004 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	1,202.2	0.0	0.0	1,202.2
Adjustments which will continue current level of service:				
-ADN# 20-3-0020 - Correctional Industries GF Auth to Inmate Health Care	-239.0	0.0	0.0	-239.0
Proposed budget decreases:				
-Amendment to AS 33.32.020, Correctional Industries Fund	-963.2	0.0	963.2	0.0
FY2004 Governor	0.0	0.0	963.2	963.2

Correctional Industries Administration

Personal Services Information

Authorized Positions			Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	18	14	Annual Salaries	744,887
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	258,376
			<i>Less 3.99% Vacancy Factor</i>	<i>(40,063)</i>
			Lump Sum Premium Pay	0
Totals	18	14	Total Personal Services	963,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant II	0	0	1	0	1
Corr Ind Marketing Rep	1	0	1	0	2
Corr Indus Prod Mgr I	1	0	1	2	4
Corr Indus Prod Mgr II	1	1	1	3	6
Correctional Indus Mgr II	0	0	1	0	1
Totals	3	1	5	5	14

Content Detail
Department of Corrections

Component: Correctional Industries Administration (701)
 BRU: Administration & Operations (271)

	FY2002 Actuals	FY2003 Conference Committee	FY2003 Authorized	FY2003 Management Plan	FY2004 Governor	FY2003 Management Plan vs FY2004 Governor	
71000 Personal Services	1,172.3	1,202.2	1,202.2	963.2	963.2	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Supplies	0.3	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
76000 Land/Buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,172.6	1,202.2	1,202.2	963.2	963.2	0.0	0.0%
Funding Sources:							
1004 Gen Fund	1,139.0	1,202.2	1,202.2	963.2	0.0	-963.2	-100.0%
1007 I/A Rcpts	33.6	0.0	0.0	0.0	0.0	0.0	0.0%
1059 Corr. Ind.	0.0	0.0	0.0	0.0	963.2	963.2	100.0%
Positions:							
Permanent Full Time	18	18	18	14	14	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Description

Department of Corrections

Component: Correctional Industries Administration (701)

BRU: Administration & Operations (271)

Change Record Title	Trans Type	Totals	Personal Services	Travel	Contractual	Supplies	Equipment	Land/ Buildings	Grants Claims	Positions			
										Misc.	PFT	PPT	NP
***** Changes From FY2003 Conference Committee To FY2003 Authorized *****													
Conference Committee	ConfCom	1,202.2	1,202.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18	0	0
1004 Gen Fund		1,202.2											
		Subtotal	1,202.2	1,202.2	0.0	0.0	0.0	0.0	0.0	0.0	18	0	0
***** Changes From FY2003 Authorized To FY2003 Management Plan *****													
ADN# 20-3-0020 - Correctional Industries GF Auth to Inmate Health Care	Trout	-239.0	-239.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-239.0											
Funding is being transferred to the Inmate Health Care component to assist with the increased costs of providing necessary inmate health care services. This funding is available as a result of transferring the Mt. McKinley Meat Plant to the Department of Natural Resources.													
ADN# 20-3-0027 - Delete Position ACI Administration	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4	0	0
These positions are being deleted as a result of transferring the Mt. McKinley Meat Plant to the Department of Natural Resources.													
		Subtotal	963.2	963.2	0.0	0.0	0.0	0.0	0.0	0.0	14	0	0

Change Record Detail - Multiple Scenarios With Description

Department of Corrections

Component: Correctional Industries Administration (701)

BRU: Administration & Operations (271)

Change Record Title	Trans Type	Totals	Personal Services	Travel	Contractual	Supplies	Equipment	Land/ Buildings	Grants Claims	Misc.	PFT	PPT	NP
		***** Changes From FY2003 Management Plan To FY2004 Governor *****											
Amendment to AS 33.32.020, Correctional Industries Fund	LegReq	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	-963.2	Amend AS 33.32.020, Correctional Industries Fund, which governs prison industries, to allow the administrative costs of the program to be paid from the Prison Industries Fund, as opposed to GF. This change would involve the personnel costs of prison industries staff. The change would also enable management to better assess the true costs of the program. A legislative change is necessary to allow Correctional Industries to pay state employee salaries with product revenues.											
1059 Corr. Ind.	963.2												
Totals		963.2	963.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14	0	0

Personal Services Expenditure Detail

Department of Corrections

Scenario: FY2004 Governor (2755)
 Component: Correctional Industries Administration (701)
 BRU Name: Administration & Operations (271)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Steps	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
20-2052	Corr Ind Marketing Rep	FT	A	GP	Anchorage	2A	18 D / E	12.0		51,242	0	0	18,056	69,298	
20-4199	Corr Indus Prod Mgr II	FT	A	GG	Fairbanks	1B	18 K	12.0		63,444	0	0	20,528	83,972	
20-5017	Correctional Indus Mgr II	FT	A	SS	Juneau	2A	21 M	12.0		76,344	0	0	23,165	99,509	
20-5018	Accountant II	FT	A	GP	Juneau	2A	16 B / C	12.0		41,969	0	0	16,177	58,146	
20-5130	Corr Indus Prod Mgr I	FT	A	GP	Juneau	1A	16 D / E	12.0		44,950	0	0	16,781	61,731	
20-6120	Corr Indus Prod Mgr II	FT	A	GP	Eagle River	1A	18 B / C	12.0		49,043	0	0	17,610	66,653	
20-6121	Corr Indus Prod Mgr II	FT	A	GP	Palmer	1A	18 L	12.0		63,300	0	0	20,499	83,799	
20-6350	Corr Indus Prod Mgr II	FT	A	GP	Kenai	1A	18 J	12.0		58,800	0	0	19,587	78,387	
20-6351	Corr Indus Prod Mgr I	FT	A	GP	Kenai	1A	16 E / F	12.0		47,130	0	0	17,223	64,353	
20-6423	Corr Indus Prod Mgr I	FT	A	GP	Anchorage	1A	16 E / F	12.0		46,990	0	0	17,194	64,184	
20-6424	Corr Indus Prod Mgr II	FT	A	GP	Juneau	1A	18 G / J	12.0		58,800	0	0	19,587	78,387	
20-7004	Corr Ind Marketing Rep	FT	A	GG	Juneau	2A	18 B / C	12.0		48,120	0	0	17,423	65,543	
20-8176	Corr Indus Prod Mgr II	FT	A	GP	Seward	1A	18 D / E	12.0		52,407	0	0	18,292	70,699	
20-8177	Corr Indus Prod Mgr I	FT	A	GP	Seward	1A	16 B / C	12.0		42,348	0	0	16,254	58,602	

	Total Positions	New	Deleted
Full Time Positions:	14	0	0
Part Time Positions:	0	0	0
Non Permanent Positions:	0	0	0
Positions in Component:	14	0	0
 Total Component Months:	168.0		

Total Salary Costs:	744,887
Total COLA:	0
Total Premium Pay:	0
Total Benefits:	258,376
Total Pre-Vacancy:	1,003,263
Minus Vacancy Adjustment of 3.99%:	(40,063)
Total Post-Vacancy:	963,200
Plus Lump Sum Premium Pay:	0
Personal Services Line 100:	963,200

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Personal Services Expenditure Detail

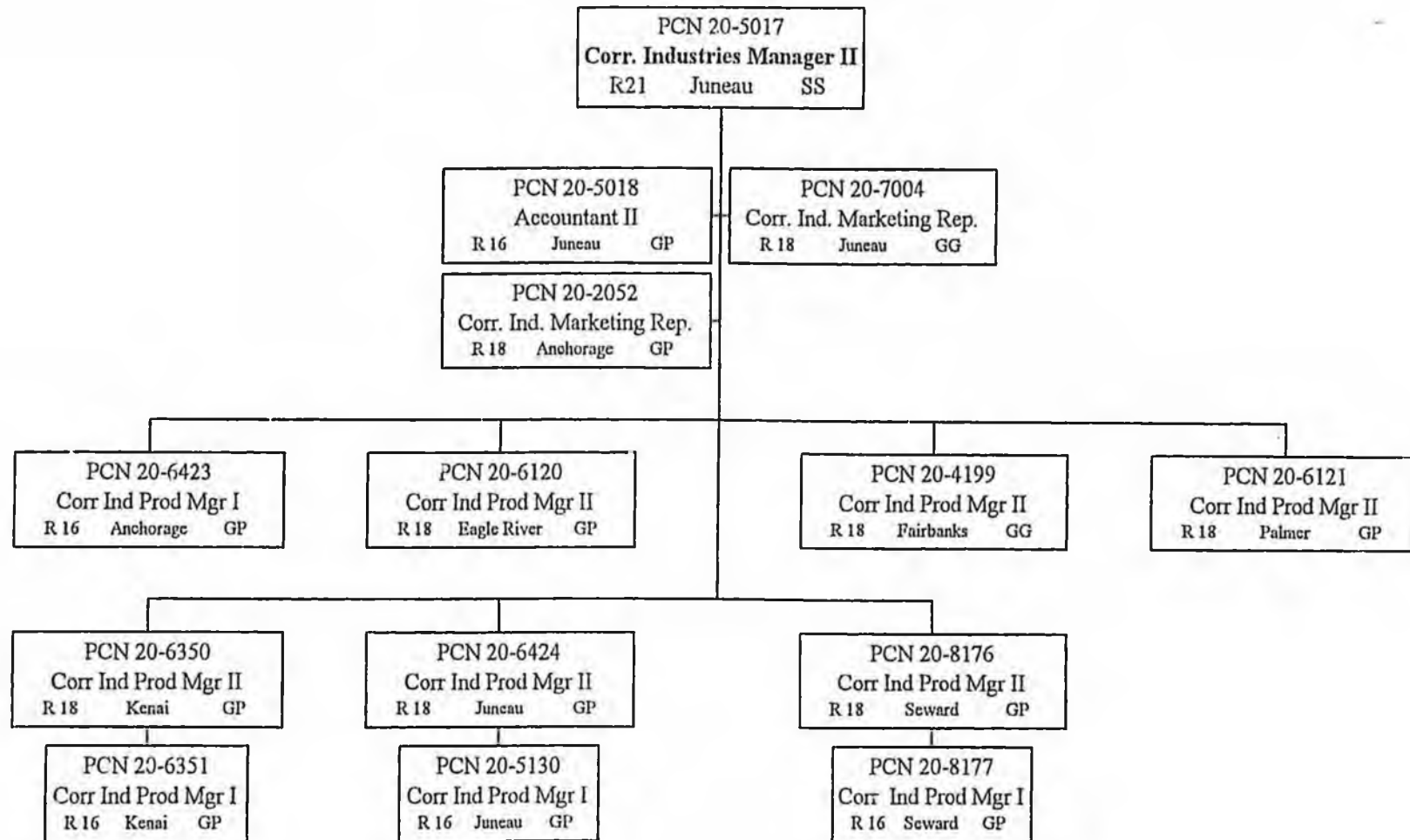
Department of Corrections

Scenario: FY2004 Governor (2755)
Component: Correctional Industries Administration (701)
BRU Name: Administration & Operations (271)

<u>PCN Funding Sources:</u>	<u>Pre-Vacancy</u>	<u>Post-Vacancy</u>	<u>Percent</u>
1059 Correctional Industries Fund	1,003,263	963,200	100.00%
Total PCN Funding:	1,003,263	963,200	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Departm. of Corrections
Correctional Industries - Admin.
FY 2004 Organizational Structure



Subject: [Fwd: HB 161]
Date: Wed, 02 Apr 2003 14:34:08 -0900
From: Bruce Weyhrauch <Representative_Bruce_Weyhrauch@Legis.state.ak.us>
Organization: Alaska State Legislature
To: Ginny Austerman <Ginny_Austerman@legis.state.ak.us>

put in the bill file

Subject: HB 161
Date: Wed, 2 Apr 2003 07:37:08 -0900
From: "Neil MacKinnon" <nmackinnon@acsalaska.net>
To: <Representative_Bruce_Weyhrauch@legis.state.ak.us>

Bruce,

I happened to catch the State Affairs Committee hearings on HB 161 last night and must say that I have serious concerns about what I see proposed. It seems to me that the new thrust of Prison Industries will be to venture further into competition with the private sector in order to fund their operations. Since they operate the largest laundry in the Juneau area I can only see them increasing their competition with the operations of Alaska Laundry for the private sector laundry work in this area.

In the real world competition is good for business but competing with Prison Industries is unfair competition and that is bad for all concerned. The prime example of this unfairness is in the wage differential between the private sector and Prison Industries. The State minimum wage is now \$7.15 per hour plus and additional 20% or \$1.43 in payroll taxes and insurance. Prison Industries on the other hand has labor costs of around \$1.00 per hour in total. Using the laundry industry rule of thumb of labor making up 50% of expenses yields a 400% cost advantage in favor of Prison Industries. This labor cost advantage the private sector cannot overcome no matter how efficiently it operates. To allow Prison Industries to compete with private industry with this kind of advantage will do grave harm to the private sector and the State itself.

I must also be careful in commenting on this matter as Alaska Laundry also operates a laundry in a venture with Prison Industries within the confines of Lemon Creek Correctional Center. This operation processes laundry for Bartlett Regional Hospital using leased labor from Prison Industries. However as a private sector employer we start our workers at the minimum wage of \$7.15 with increases in pay for skill and merit. So far the operation has worked well for all concerned but that also depends upon all the parties working in cooperation, not in competition.

Sincerely

Neil MacKinnon

HB

174

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: April 2, 2003

FURTHER REFERRALS: Finance

Date of Committee Action: Apr. 1 24/2003

The STATE AFFAIRS Committee considered:

HB 174

HOUSE BILL NO. 174

CORRESPONDENCE STUDY

"An Act relating to the state centralized correspondence study program, to funding for educational programs that occur primarily outside school facilities, and to the duties of school boards of borough and city school districts and regional educational attendance areas; and providing for an effective date."

Recommends it be replaced with HCS or CS for HB 174 (STA)
 For Senate Bills with new title: Technical Title New Title: HCR _____ Same Title New Title

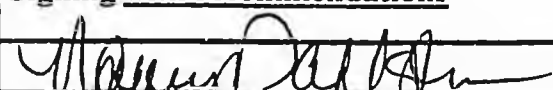
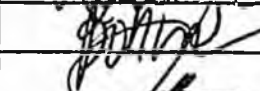
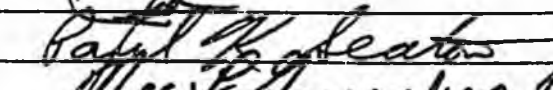
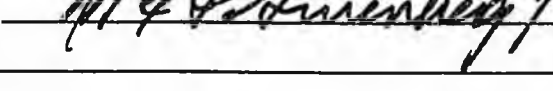
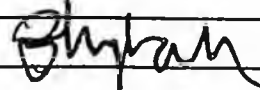
- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

List of Abbrev for Depts.:

- ADM
- CED
- COR
- CRT
- EED
- DEC
- DFG
- GOV
- HSS
- LEG
- LAW
- LWF
- MVA
- DNR
- DPS
- REV
- DOT
- UA

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

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
<u>EED 1</u>		✓		
<u>EED 2</u>		✓		

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Deborah Lynn			X	
	LYNN			X	
	Helen SEATON	✓			
	Greenberg			✓	
Chair: 	Weyland	✓			
Chair:					

ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH



ALASKA
STATE CAPITOL
JUNEAU, ALASKA
99801-1182

(907) 465-3744
FAX (907) 465-2273

STATE AFFAIRS COMMITTEE

Fax

To: Legislative Legal

From: Ginny Austerman

Fax: 2029

Date: April 24, 2003

Phone: 2450

Pages: one

Re: CS HB 174

CC:

Urgent For Review Please Comment Please Reply

•Comments:

Today the House State Affairs Committee heard CS HB 174 and passed it from the Committee with no further amendments.

Please complete CS HB 174 in final form as soon as possible.

Thank you

*Faxed
4/24/03
11:30
am*

adopted
passed out
4/24/03

23-GH1126H
Ford
4/21/03

CS FOR HOUSE BILL NO. 174(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

**Offered:
Referred:**

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the state centralized correspondence study program, to funding for
2 educational programs that occur primarily outside school facilities, and to the duties of
3 school boards of borough and city school districts and regional educational attendance
4 areas; and providing for an effective date."

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

6 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 **PURPOSE.** It is the purpose of this Act to provide a one-year transition period in
9 which the functions performed by the Alyeska Central School can be assumed by another
10 educational organization, such as a charter school or a school district of the state.

11 * **Sec. 2.** AS 14.07.020(a)(9) is amended to read:

12 (9) exercise general supervision over [PROVIDE ACCREDITED]
13 elementary and secondary correspondence study programs offered by municipal
14 school districts or regional educational attendance areas; the department may

1 also offer and make available to any Alaskan through a centralized office a [OF]
2 correspondence study program;

3 * **Sec. 3.** AS 14.14.090(2) is amended to read:

4 (2) provide for, during the school term of each year, an educational
5 program for each school age child who is enrolled in or a resident of the district;

6 * **Sec. 4.** AS 14.14.120(c) is amended to read:

7 (c) An inoperative school board shall, if practicable, pay the tuition and
8 boarding costs necessary to enable the school age children within the district to attend
9 school in another district. If a child in an inoperative school district is not attending
10 school in another district, the department shall provide information on
11 correspondence courses and other materials and charge the school board of the
12 inoperative district an amount equal to the actual cost to the department.

13 * **Sec. 5.** AS 14.17.430 is amended to read:

14 **Sec. 14.17.430. State funding for correspondence study and similar**
15 **programs.** Except as provided in AS 14.17.400(b), funding for the state centralized
16 correspondence study program or a district correspondence program, including a
17 district that offers a statewide correspondence study program, or a study program
18 that occurs primarily outside a school facility, includes an allocation from the
19 public school account in an amount calculated by multiplying the ADM of the
20 correspondence or study program by 80 percent.

21 * **Sec. 6.** AS 14.17.600(a) is amended to read:

22 (a) Within two weeks after the end of the 20-school-day period ending the
23 fourth Friday in October, each district shall transmit a report to the department that,
24 under regulations adopted by the department, reports its ADM for that counting period
25 and other student count information that will aid the department in making a
26 determination of its state aid under the public school funding program. For centralized
27 correspondence study, the October report shall be based on the period from July 1
28 through the fourth Friday in October [, EXCEPT THAT SUMMER SCHOOL
29 STUDENTS SHALL BE COUNTED AS A PROPORTIONATE FRACTION AS
30 DETERMINED BY THE DEPARTMENT]. The department may make necessary
31 corrections in the report submitted and shall notify the district of changes made. The

1 commissioner shall notify the governor of additional appropriations the commissioner
2 estimates to be necessary to fully finance the public school funding program for the
3 current fiscal year.

4 * **Sec. 7.** AS 39.25.160(e)(7) is amended to read:

5 (7) certificated teachers employed [BY THE DEPARTMENT OF
6 EDUCATION AND EARLY DEVELOPMENT] as correspondence teachers, teachers
7 in skill centers operated by the Department of Education and Early Development, or
8 teachers at Mt. Edgecumbe School;

9 * **Sec. 8.** Sections 5 and 6 of this Act take effect July 1, 2003.

10 * **Sec. 9.** Except as provided in sec. 8 of this Act, this Act takes effect July 1, 2004.

ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH



ALASKA
STATE CAPITOL
JUNEAU, ALASKA
99801-1182

(907) 465-3744
FAX (907) 465-2273

STATE AFFAIRS COMMITTEE

Fax

To: Legislative Legal – Mike Ford From: Ginny Austerman

Fax: 2029

Date: April 18, 2003

Phone: 2450

Pages: one

Re: HCS HB 174

CC:

Urgent For Review Please Comment Please Reply

•Comments:

Regarding CS HB 174 (23-GH1126(D):

Page 2 Sec 5 – This section needs an effective date of July 1, 2003.

Page 2 Sec 6 – This section needs an effective date of July 1, 2003.

Thank you,

23-GH1126\D
Ford
4/15/03

CS FOR HOUSE BILL NO. 174(STA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered:
Referred:

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

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the state centralized correspondence study program, to funding for**
2 **educational programs that occur primarily outside school facilities, and to the duties of**
3 **school boards of borough and city school districts and regional educational attendance**
4 **areas; and providing for an effective date."**

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

6 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
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10 educational organization, such as a charter school or a school district of the state.

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13 elementary and secondary correspondence study programs offered by municipal
14 school districts or regional educational attendance areas; the department may

also offer and make available to any Alaskan through a centralized office a [OF] correspondence study program:

* Sec. 3. AS 14.14.090(2) is amended to read:

(2) provide for, during the school term of each year, an educational program for each school age child who is enrolled in or a resident of the district;

* Sec. 4. AS 14.14.120(c) is amended to read:

(c) An inoperative school board shall, if practicable, pay the tuition and boarding costs necessary to enable the school age children within the district to attend school in another district. If a child in an inoperative school district is not attending school in another district, the department shall provide information on correspondence courses and other materials and charge the school board of the inoperative district an amount equal to the actual cost to the department.

* Sec. 5. AS 14.17.430 is amended to read:

Sec. 14.17.430. State funding for correspondence study and similar programs. Except as provided in AS 14.17.400(b), funding for the state centralized correspondence study program or a district correspondence program, including a district that offers a statewide correspondence study program, or a study program that occurs primarily outside a school facility, includes an allocation from the public school account in an amount calculated by multiplying the ADM of the correspondence or study program by 80 percent.

* Sec. 6. AS 14.17.600(a) is amended to read:

(a) Within two weeks after the end of the 20-school-day period ending the fourth Friday in October, each district shall transmit a report to the department that, under regulations adopted by the department, reports its ADM for that counting period and other student count information that will aid the department in making a determination of its state aid under the public school funding program. For centralized correspondence study, the October report shall be based on the period from July 1 through the fourth Friday in October [, EXCEPT THAT SUMMER SCHOOL STUDENTS SHALL BE COUNTED AS A PROPORTIONATE FRACTION AS DETERMINED BY THE DEPARTMENT]. The department may make necessary corrections in the report submitted and shall notify the district of changes made. The

Call Mike Ford

7/10/02 effective date

7/10/02 effective date

1 commissioner shall notify the governor of additional appropriations the commissioner
2 estimates to be necessary to fully finance the public school funding program for the
3 current fiscal year.

4 * **Sec. 7.** AS 39.25.160(e)(7) is amended to read:

5 (7) certificated teachers employed [BY THE DEPARTMENT OF
6 EDUCATION AND EARLY DEVELOPMENT] as correspondence teachers, teachers
7 in skill centers operated by the Department of Education and Early Development, or
8 teachers at Mt. Edgecumbe School;

9 * **Sec. 8.** This Act takes effect July 1, 2004.

ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH



ALASKA
STATE CAPITOL
JUNEAU, ALASKA
99801-1182

(907) 465-3744
FAX (907) 465-2273

*faxed to
Leg Legal*

4/11/03

12:45 pm

STATE AFFAIRS COMMITTEE

Fax

To: Legislative Legal

From: Ginny Austerman

Fax: 2029

Date: April 11, 2003

Phone: 2450

Pages: Two inc. cover

Re: Committee Substitute for HB 174 CC:

Urgent For Review Please Comment Please Reply

•Comments:

Representative Weyhrauch would like a CS (STA) prepared for HB 174 (23-GH1126/A).

See the following page for amendment information.

Changes to the current version of the bill are as follows:

Page 1, line 9 – after the word “may” add “also”

Page 1, line 10 – delete the word “not” and reinstate the words “available to any Alaskan through”

Page 2, line 11 – reinstate the word “centralized”

Page 2, line 14 – reinstate the word “centralized”

Page 2, line 21 – reinstate the word “centralized”

Page 2, lines 25 & 26 – reinstate the words “the State Centralized Correspondence Study Program or”

Page 3, lines 5 – 10 – reinstate the words “for centralized correspondence study, the October report shall be based on the period from July 1 through the fourth Friday in October,” delete “except that summer school students shall be counted as a proportionate fraction as determined by the Department.”

Page 3, lines 19 – 23 – reinstate the words “in those school districts providing an approved correspondence study program, a student may be enrolled either in the district correspondence program or in the centralized correspondence study program;”

Page 3, lines 26 – 27 – reinstate “, and the state centralized correspondence study program;”

Page 3, lines 29 – 31 – reinstate “teachers employed by the Department of Education and Early Development as correspondence teachers,”

Page 4, line 3 – reinstate the words “teachers employed”

Page 4, line 4 – reinstate the words “as correspondence teachers,”

Page 4, line 7 - (conceptual amendment) "Add a transition year to seek sponsorship by another educational organization such as a charter school or school district."

Change effective date to July 1, 2004

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CS HB 174(STA)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
 Title An Act relating to the state centralized BRU Alyeska Central School
correspondence study program and the duties of schools... Component Alyeska Central School
 Sponsor House Rules Committee
 Requester Governor Component No. 2106

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	2,809.3	(2,809.3)				
Travel	55.0	(55.0)				
Contractual	538.3	(538.3)				
Supplies	918.4	(918.4)				
Equipment	18.0	(18.0)				
Land & Structures	0.0					
Grants & Claims	0.0					
Miscellaneous	0.0					
TOTAL OPERATING	4,339.0	(4,339.0)	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1007 Inter Agency/Program Receipts	3,839.0	(3,839.0)				
1156 Receipt services	500.0	(500.0)				
Other (Specify Type-Do not abbreviate)						
TOTAL	4,339.0	(4,339.0)	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time	21	-21				
Part-time	26	-26				
Temporary	1	-1				

ANALYSIS: (Attach a separate page if necessary)

CS HB174(STA) will eliminate Alyeska Central School the statewide correspondence program operated by the state beginning with the 2004-2005 school year. This bill will repeal summer school funding for Alyeska Central School beginning with the 2003 -2004 school year.

Prepared by: Eddy Jeans, School Finance Manager
 Division: Education and Early Development
 Approved by: _____
 Agency: Education and Early Development

Phone 465-8679
 Date/Time 4/23/03 4:47 PM
 Date 4/23/2003

WORK DRAFT

WORK DRAFT

WORK DRAFT

23-GH1126VD
Ford
4/15/03

**CS FOR HOUSE BILL NO. 174(STA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION**

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered:
Referred:

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

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the state centralized correspondence study program, to funding for
2 educational programs that occur primarily outside school facilities, and to the duties of
3 school boards of borough and city school districts and regional educational attendance
4 areas; and providing for an effective date."

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

6 * Section 1. The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 PURPOSE. It is the purpose of this Act to provide a one-year transition period in
9 which the functions performed by the Alyeska Central School can be assumed by another
10 educational organization, such as a charter school or a school district of the state.

11 * Sec. 2. AS 14.07.020(a)(9) is amended to read:

12 (9) exercise general supervision over [PROVIDE ACCREDITED]
13 elementary and secondary correspondence study programs offered by municipal
14 school districts or regional educational attendance areas; the department may

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DOCUMENT(S)
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23-G11126W

also offer and make available to any Alaskan through a centralized office a [OF] correspondence study program;

* Sec. 3. AS 14.14.090(2) is amended to read:

(2) provide for, during the school term of each year, an educational program for each school age child who is enrolled in or a resident of the district;

* Sec. 4. AS 14.14.120(c) is amended to read:

(c) An inoperative school board shall, if practicable, pay the tuition and boarding costs necessary to enable the school age children within the district to attend school in another district. If a child in an inoperative school district is not attending school in another district, the department shall provide information on correspondence courses and other materials and charge the school board of the inoperative district an amount equal to the actual cost to the department.

* Sec. 5. AS 14.17.430 is amended to read:

Sec. 14.17.430. State funding for correspondence study and similar programs. Except as provided in AS 14.17.400(b), funding for the state centralized correspondence study program or a district correspondence program, including a district that offers a statewide correspondence study program, or a study program that occurs primarily outside a school facility, includes an allocation from the public school account in an amount calculated by multiplying the ADM of the correspondence or study program by 80 percent.

* Sec. 6. AS 14.17.600(a) is amended to read:

(a) Within two weeks after the end of the 20-school-day period ending the fourth Friday in October, each district shall transmit a report to the department that, under regulations adopted by the department, reports its ADM for that counting period and other student count information that will aid the department in making a determination of its state aid under the public school funding program. For centralized correspondence study, the October report shall be based on the period from July 1 through the fourth Friday in October [, EXCEPT THAT SUMMER SCHOOL STUDENTS SHALL BE COUNTED AS A PROPORTIONATE FRACTION AS DETERMINED BY THE DEPARTMENT]. The department may make necessary corrections in the report submitted and shall notify the district of changes made. The

WORK DRAFT

WORK DRAFT

23-GH1126D

1 commissioner shall notify the governor of additional appropriations the commissioner
 2 estimates to be necessary to fully finance the public school funding program for the
 3 current fiscal year.

4 * Sec. 7. AS 39.25(160)(e)(7) is amended to read: *OK*

5 (7) certificated teachers employed [F.Y THE DEPARTMENT OF
 6 EDUCATION AND EARLY DEVELOPMENT] as correspondence teachers, ~~teachers~~
 7 in skill centers operated by the Department of Education and Early Development, or
 8 teachers at Mt. Edgecumbe School;

9 * Sec. 8. This Act takes effect July 1, 2004.

*the only teachers
 employed by the
 state as
 being
 the extent
 service*

Bill Text



BILL ID: HB 174

00

HOUSE BILL NO. 174

01 "An Act relating to the state centralized correspondence study program, to fundin
02 educational programs that occur primarily outside school facilities, and to the d
03 school boards of borough and city school districts and regional educational atten
04 areas; and providing for an effective date."

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

06 * Section 1. AS 14.07.020(a)(9) is amended to read:

07 (9) exercise general supervision over [PROVIDE ACCREDITED]
08 elementary and secondary correspondence study programs offered by municipal
09 school districts or regional educational attendance areas; the department m
10 not offer [AVAILABLE TO ANY ALASKAN THROUGH] a centralized [OFFICE
11 OF] correspondence study program;

12 * Sec. 2. AS 14.14.090(2) is amended to read:

13 (2) provide for, during the school term of each year, an educati
14 program for each school age child who is enrolled in or a resident of the d

01 * Sec. 3. AS 14.14.120(c) is amended to read:

02 (c) An inoperative school board shall, if practicable, pay the tuitio
03 boarding costs necessary to enable the school age children within the distr
04 school in another district. If a child in an inoperative school district i
05 school in another district, the department shall provide information on
06 correspondence courses and other materials and charge the school board of t
07 inoperative district an amount equal to the actual cost to the department.

08 * Sec. 4. AS 14.17.300 is amended to read:

09 Sec. 14.17.300. Public school account. (a) The public school accoun
10 established. The account consists of appropriations for distribution to sc
11 the state boarding school, and for [CENTRALIZED] correspondence study under
12 chapter.

13 (b) The money in the account may be used only in aid of public school
14 including community school programs, and for [CENTRALIZED] correspondence
15 study programs under this chapter.

16 * Sec. 5. AS 14.17.400(b) is amended to read:

17 (b) If the amount in the public school account is insufficient to mee
18 amounts authorized under (a) of this section for a fiscal year, the departm
19 reduce pro rata each district's basic need by the necessary percentage as d
20 the department. If the basic need of each district is reduced under this su
21 department shall also reduce state funding for [CENTRALIZED] correspondence
22 study and the state boarding school by the same percentage.

23 * Sec. 6. AS 14.17.430 is amended to read:

24 Sec. 14.17.430. State funding for correspondence study and similar
25 programs. Except as provided in AS 14.17.400(b), funding for [T STATE
26 CENTRALIZED CORRESPONDENCE STUDY PROGRAM OR] a district
27 correspondence program, including a district that offers a statewide corres
28 study program, or a study program that occurs primarily outside a school fa
29 includes an allocation from the public school account in an amount calculat
30 multiply the ADM of the correspondence or study program by 80 percent.

31 * Sec. 7. AS 14.17.600(a) is amended to read:

01 (a) Within two weeks after the end of the 20-school-day period ending
02 fourth Friday in October, each district shall transmit a report to the depa
03 under regulations adopted by the department, reports its ADM for that count
04 and other student count information that will aid the department in making
05 determination of its state aid under the public school funding program. [F
06 CENTRALIZED CORRESPONDENCE STUDY, THE OCTOBER REPORT

07 SHALL BE BASED ON THE PERIOD FROM JULY 1 THROUGH THE FOURTH
 08 FRIDAY IN OCTOBER, EXCEPT THAT SUMMER SCHOOL STUDENTS
 09 SHALL BE COUNTED AS A PROPORTIONATE FRACTION AS DETERMINED
 10 BY THE DEPARTMENT.] The department may make necessary corrections in the
 11 report submitted and shall notify the district of changes made. The commis
 12 shall notify the governor of additional appropriations the commissioner est
 13 necessary to fully finance the public school funding program for the curren
 14 year.

15 * Sec. 8. AS 14.30.010(b)(10) is amended to read:
 16 (10) is enrolled in
 17 (A) a state boarding school established under AS 14.16; or
 18 (B) a full-time program of correspondence study approved by
 19 the department; [IN THOSE SCHOOL DISTRICTS PROVIDING AN
 20 APPROVED CORRESPONDENCE STUDY PROGRAM, A STUDENT
 21 MAY BE ENROLLED EITHER IN THE DISTRICT CORRESPONDENCE
 22 PROGRAM OR IN THE CENTRALIZED CORRESPONDENCE STUDY
 23 PROGRAM;]

24 * Sec. 9. AS 14.30.350(8) is amended to read:
 25 (8) "school district" means a borough school district, a city sc
 26 district, a regional educational attendance area, or a state boarding schoo
 27 THE STATE CENTRALIZED CORRESPONDENCE STUDY PROGRAM];

28 * Sec. 10. AS 39.25.110(7) is amended to read:
 29 (7) certificated [TEACHERS EMPLOYED BY THE DEPARTMENT
 30 OF EDUCATION AND EARLY DEVELOPMENT AS CORRESPONDENCE
 31 TEACHERS,] teachers in skill centers operated by the Department of Educatio
 01 Early Development [,] or in Mt. Edgecumbe School;

02 * Sec. 11. AS 39.25.160(e)(7) is amended to read:
 03 (7) certificated [TEACHERS EMPLOYED BY THE DEPARTMENT
 04 OF EDUCATION AND EARLY DEVELOPMENT AS CORRESPONDENCE
 05 TEACHERS,] teachers in skill centers operated by the Department of Educatio
 06 Early Development [,] or teachers at Mt. Edgecumbe School;

07 * Sec. 12. This Act takes effect July 1, 2003.

Bill Root: Display Bill Root



TO REPORT PROBLEMS WITH BASIS INQUIRY

LIVE KTOO STREAMS 

[Return to Basis Main Menu \(23rd Legislature\)](#)
[Return to Legislature Home Page](#)

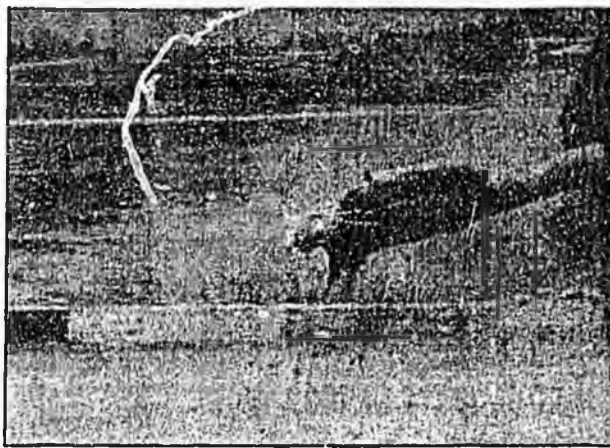
"Today, the tide has turned," Information Minister Mohammed Saeed al-Sahhaf said. "We are destroying them." He read a statement from Saddam telling Iraq's fighters to rush at the Americans and "exhaust (them) and increase the depth of their wounds."

Al-Sahhaf said the Americans were in the suburbs and in a message on television urged residents to inform Iraqi troops about any U.S. movements. Maintain "calm, good organization ... to confront the enemy effectively, conquer it, and force it to retreat accursed and defeated," he said.

By Saturday night, city streets were crawling with all kinds of armed men - government troops, militiamen, loyalists from Saddam's Baath party. Members of the Fedayeen, a militia led by Saddam's son Odai, appeared in their distinctive black uniforms in the city center for the first time since the war began.

Armed with Kalashnikovs, mortars and heavy machine guns, soldiers of the elite Republican Guard Corps dug fresh trenches and fortified old ones. Some took over

Please see **WAR**, Page A7



Statue of limitations: A U.S. Army vehicle from the 4th Republican Guard's Medina Division headquarters survived airstrikes and abandoned by Iraqi forces.

Correspondence school's planned closing concerns School Board

By **ERIC FRY**

JUNEAU EMPIRE © 2003

The proposed closing of the state-run correspondence school could help the Juneau School District's budget but would hurt some local students who need personalized attention or help to graduate, according to administrators and School Board members.

The School Board said Tuesday it will send a letter to legislators expressing concern about the proposed closing of Alyeska Central School.

Alyeska enrolls about 640 full-time students and 440 tuition-paying students who take selected courses. Its summer school enrolled 3,450 students last year.

The Alyeska closure is among a number of Murkowski administration measures to reduce the state education budget. Closing Alyeska would save the state \$1.2 million, the cost of its summer school, state officials have said.

The state wouldn't necessarily save money by closing the regular program because the state still would fund the education of those students if they enrolled in an Alaska school district or a district-based home-school program.



BRIAN WALLACE / JUNEAU EMPIRE

Home learning: Laurie Clough instructs her son Forrest during a home school lesson at their North Douglas home Saturday.

Eighty Juneau children attend Alyeska full time, said Juneau schools Superintendent Peggy Cowan. If Alyeska closed, some of those students might enroll in the Juneau School District, either in its regular schools or in its two home-school programs, thus increasing the district's state fund-

ing.

At a meeting last week, School Board member Paul Gulyas discounted the idea that many Alyeska students would transfer into regular schools. The students have chosen an alternative program and will seek another such

Please see **HOME SCHOOL**, Page A8

ect to city permitting.

you to support this amendment and

Eric Fry can be reached at
eric.fry@juneauempr.com.

Home school: Students would have to pay for correspondence courses from outside Alaska

Continued from Page A1

program if Alyeska closes, he said.

Cowan also pointed out some local downsides to Alyeska's closure.

Last summer Juneau School District students took 275 courses in the Alyeska summer school, which is funded by the state. The school district's summer school focuses on remedial courses, and it would be hard for it to match the diversity of Alyeska's courses, administrators said. The Juneau summer school charges a fee but offers some scholarships.

A lot of Juneau students who take summer courses at Alyeska want to work ahead, not take remedial courses, said Carol Sewill, who runs the Juneau School District's correspondence program.

If Alyeska closed, those students would have to pay for correspondence courses from outside of Alaska if they still wanted them. No other Alaska distance-education programs sell such courses, Sewill said.

"We would have a very hard time duplicating the 275 courses," said School Board member Mary Becker. "This would be a very great loss to our students."

The Alyeska summer courses are valuable to high school seniors who are short a few credits to graduate, Sewill said. Without a substitute program, they would have to re-enroll in high school in the fall, putting off college.

Also, 83 Juneau children, some enrolled in the school district, are paying tuition to take selected courses at Alyeska during the regular school year. Some of those are middle school students taking advanced courses such as algebra and geometry, Cowan said.

Sewill said Alyeska's tuition-paying students can buy courses from out of state for a comparable fee, but Juneau children won't have the close access to Alyeska's certified teachers, who work here. Nor will the outside courses be

I just never thought I'd see another '1986' here with the state being hit so hard. I'm having trouble understanding the necessity for cutting state government to the level they are.

DEBBIE CHALMERS

President, Alyeska teachers union

geared to Alaska, she said.

Laurie Clough of Juneau enrolls two sons, 13 and 15, in the public schools part time, and they also take some courses for a fee at Alyeska. Clough, a former public school teacher, said Juneau's schools are good but in some ways were a bad fit for her sons.

"I wanted them to excel in school, and I could see they weren't doing it," she said.

The Murkowski administration has argued that Alyeska's services are duplicated elsewhere. But Clough said the statewide distance-education programs run by Alaska school districts won't accept part-time students. And she's concerned Outside programs won't provide a quick turnaround in reviewing lessons.

Also of concern locally is the loss of jobs. Alyeska employs 20 teachers and 18 support staff, all in Juneau, the school has said. Another 10 positions, all but one in Juneau, are unfilled.

Debbie Chalmers, president of the Alyeska teachers union, said her family had to leave Juneau and eventually Alaska when low oil prices in 1986 triggered layoffs of untenured teachers. She returned in 1990.

"I just never thought I'd see another '1986' here with the state being hit so hard," Chalmers said. "I'm having trouble understanding the necessity for cutting state government to the level they are."

The Juneau market for home sales is "soft," she said. "You put 10 or 15 more homes on the market - I think that's going to have an appreciable impact."

Because a statewide correspondence school is mandated by Alaska law, it will take another law to undo the requirement.

The House Health Education and Social Services Committee was split in its review of House Bill 174 to close Alyeska. The bill has been scheduled for a hearing, among other bills, in the State Affairs Committee, chaired by Juneau Republican Rep. Bruce Weyhrauch, at 8 a.m. Tuesday.

A similar measure, Senate Bill 107, was passed out of the Senate Health Education and Social Services Committee on Thursday and will go to that body's Finance Committee.

Closing Alyeska is a tough policy call, Rep. John Coghill, a North Pole Republican who supports the closure, said at a House Health Education and Social Services Committee hearing late last month.

The state is working to get school districts connected to their students, and the districts have been stepping up with their own home-school programs, he said.

"The policy call we are asking here is do we give the school districts now the responsibility for providing correspondence school," he told the committee.

• Eric Fry can be reached at
eric.fry@juneauempr.com.

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are more cracks in China's arian armor than the Chi-nd even some Americans epared to admit. The dam- used by secrecy in the SARS rows why it is right to con- pressing China in every way le to become more open.

ment

r all - including the small- s. Unfortunately, as Roger to the helm, they forget

- CHARLES C. HAYNES,
First Amendment Center

By Garry Trudeau

WANT GET A DRIVER,
'LL BE ON OUR OWN
TRIP TO BAGHDAD.
BY WITH THAT, SIR?



JUSTING
TIMES
ED,
TT?

A NATION
OF ENTRE-
PRENEURS!
AND KNEE!



uating U.S. foreign policy since 1945, would be astonished to find out how many Saddam-like ogres we have sponsored and taught at the School of the Americas, a CIA training camp located in Georgia. Past graduates include but are not limited to, Manuel Noriega; Hugo Banzer, the Bolivian dictator responsible for the assassination of an archbishop, a bishop, six Jesuit priests, four American churchwomen, and many other dissenters of his regime. We have helped to prop up the government of the shah of Iran, supported the Marcos' regime in the Philippines, and instigated the overthrow of the Chilean government in the early 1970s. The list

of members of our society who choose to form their opinions based on corporate news reports, which in effect are as reliable as state-sponsored news reports. From a historical perspective, a case could and should be made to hold our politicians responsible for the aggressive and destructive course they have led us in. One last item in Lilliedahl's article that I feel needs addressing is the statement, "one hundred and twenty some odd precious and heroic American lives were given in much agony halfway around the world to protect our freedom..." The list of altruistic wars is very short. In the past 50 years no campaign the U.S. has fought has had anything to do

their actions; the rights for which every soldier fights are given up on the day of their enlistment. I do blame our leaders, who with their thirst for power and relentless drive for dominance of the world's raw materials have led us into a campaign of murder and destruction. As our leaders and the corporate media continue to allow fear and revenge to drive our popular culture, we can expect more events like Sept. 11. The power of democracy lies in the people's ability to change leadership. We must speak up. • Kenn Magowan of Juneau is a youth counselor and a former Marine.

Alyeska Central School not unique

By Jim Clark
The voters of Alaska made it abundantly clear that they want a more scaled-down, efficient state government to deliver essential state services. The governor has proposed closing the Alyeska Central School (ACS) to accomplish these goals and to terminate a state service that duplicates the new and creative efforts of local school districts to offer correspondence courses.

ACS's roots go back to 1939. At that time, it addressed a significant need. Some children in the then-territory had no access to local schools. They were the children of the pioneers of the state who were settling new areas, developing our resources, and helping shape the Alaska we all know today. ACS was their only choice, and it served those students well. After serving a peak of more than 2,000 students in the full-time program at one time, today the school educates just over one-quarter that amount.

The entire education system in Alaska has changed significantly since 1939. We now have local school districts that cover every square inch of the state and provide education to every child who resides within their borders. Local districts provide students and parents with a variety of educational choices, including local

brick and mortar schools, charter schools, distance delivery, correspondence programs, and student living centers.

In addition, some local school districts have begun to open their correspondence programs to every student in the state. Where once a child seeking correspondence education had only one choice - ACS, they now have nearly a dozen programs from which to choose. Competition among the programs has helped them improve the services offered and attracted overwhelming numbers of students. There are nearly 8,000 students enrolled in statewide correspondence programs run by Chugach, Copper River, Craig, Delta/Grady, Denali, Galena, Iditarod, Mat-Su, Nenana, Tanana and Yukon/Koyukok school districts.

The state has encouraged local school districts to continue to grow their correspondence schools and compete for students. To do this on one hand, and have the state run its own program on the other, is counterproductive and duplicative. Instead, the state should terminate ACS, share the resources developed through ACS to districts outside Juneau to better serve the stu-

dents of Alaska. By closing ACS we intend to do just that.

To the extent allowed by copyright law, we will make the curriculum offered at ACS available to all districts to use in their correspondence programs. We will work with local school districts to help develop programs that meet the needs of the students at ACS. Finally, we will work with parents and students to help identify the best option for their education needs.

The primary argument used by those opposing the closure of ACS is that the program offered is unique. This is no longer the case. The programs offered outside Juneau show a great promise. Our local school districts already have created innovative programs that have expanded the opportunities available to Alaska's students. By competing with one another for students they will develop a variety of courses and curricula that will greatly improve learning opportunities for those Alaska students who use the correspondence program.

In conclusion, the governor's approach to education and support of correspondence participating districts to improve the program for those Alaskans who use this service.

Jim Clark is a former Alaska state legislator.

Vertical text on the right edge of the page, possibly a page number or column identifier.

4/19/03

Bruce -

Debbie Chalmers
of Alaska Central
School faxed this
over to us this
morning.

I hadn't sent
the CS request yet.
Do you want to
use any of this
fax.

Debbie thought
the info here could
help clarify the
intent language.

Genny

[Click here and type address]

facsimile transmittal

To: Bruce Weybrauch Fax: ⁴⁶⁵⁻²²⁷³ [Click here and type fax number]

From: Debbie Chalmers Date: 4/8/2003

Re: HB 174 CS Pages: 2

- Urgent For Review Please Comment Please Reply Please Recycle



Dear Bruce,

Thank you for meeting with Cecilia Miller and I today. We wanted to clarify that the intent of the one-year extension proposed in the amendment is to allow ACS to transition intact to a district (several have expressed an interest) or educational organization (such as UAS or SERRC), rather than just an extra year to close down. We still believe that the summer school program provides a valuable service, but understand that budget cuts need to be made, and summer school courses could still be offered on a tuition basis. The main priority is for students and families to have the opportunity to receive the kinds of services ACS provides. Attached is a more complete explanation of our positions and rationale. Thank you again for your efforts.

.....

**Alyeska Central School Education Association
Draft Position re: HB174 & SB107**

First priority is to maintain ACS as a school operated by EED.

- 1) ACS offers a complete K-12 curriculum with courses written by, taught, and assessed by Alaskan teachers. ACS provides services desired by many students and families as well as schools and districts.
- 2) ACS is mandated to serve students in any area of Alaska, relieving districts of the responsibility of providing a complete correspondence program *if they choose not to*. To date, the largest school district in the state, Anchorage, has never chosen to offer the type of program provided by ACS. Of the 53 districts in the state, 29 do not currently operate *any* type of correspondence funded program. The 11 districts that are currently serving students statewide can choose to restrict enrollment, discontinue those programs, or not provide a program comparable to ACS. In that case, it will be an additional burden on the districts of residence that are obligated to provide educational services to their students.
- 3) ACS has the infrastructure and experience in place to continue to provide quality curriculum choices to students who enroll under foundation funding as well as to any student in the state who is willing to pay tuition. ACS is also available to be used as a support to schools and districts in meeting the NCLB requirements.

Second choice is to maintain ACS intact as a school to be operated by a school district or other educational agency.

- 1) In order for this to be a viable option, it is imperative to extend ACS within the Department of Education and Early Development for at least one more school year. The logistics of determining the most appropriate district or organization to "host" ACS, and making appropriate arrangements will take time.
- 2) Statute changes may be needed in order to allow ACS to be hosted by another district or organization. For example, currently foundation funding for students may only be distributed to a school district or the Department of Education and Early Development.
- 3) The intent of the additional year of operating within EED must be to facilitate a transition of ACS to another district or organization, rather than a year of extension in order to provide extra time for closure so that students and parents will be assured that educational services will continue to be provided and that the transition of ACS from EED to a district or other organization would not impact their educational progress.

Fax

To: Bruce Weyhrauch**From:** Debbie Chalmers, ACSEA President**Fax:** 465-2273**Pages:** 2**Phone:** 465-3744**Date:** 4/9/2003**Re:** HB 174**CC:** Beth Kerttula

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

Thanks for meeting with Cecilia Miller and me today. I wanted to clarify that our intention for an amendment is to allow ACS a transition year, not for the closure of the program. During this transition year, our school seeks sponsorship under a district (some districts have already expressed an interest) or educational organization (such as SERRC or UAS). Please review the attached information. Thank you again for help in these efforts.

**Alyeska Central School Education Association
Draft Position re: HB174 & SB107**

First priority is to maintain ACS as a school operated by EED.

- 1) ACS offers a complete K-12 curriculum with courses written by, taught, and assessed by Alaskan teachers. ACS provides services desired by many students and families as well as schools and districts.
- 2) ACS is mandated to serve students in any area of Alaska, relieving districts of the responsibility of providing a complete correspondence program *if they choose not to*. To date, the largest school district in the state, Anchorage, has never chosen to offer the type of program provided by ACS. Of the 53 districts in the state, 29 do not currently operate *any* type of correspondence funded program. The 11 districts that are currently serving students statewide can choose to restrict enrollment, discontinue those programs, or not provide a program comparable to ACS. In that case, it will be an additional burden on the districts of residence that are obligated to provide educational services to their students.
- 3) ACS has the infrastructure and experience in place to continue to provide quality curriculum choices to students who enroll under foundation funding as well as to any student in the state who is willing to pay tuition. ACS is also available to be used as a support to schools and districts in meeting the NCLB requirements.

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- 3) The intent of the additional year of operating within EED must be to facilitate a transition of ACS to another district or organization, rather than a year of extension in order to provide extra time for closure so that students and parents will be assured that educational services will continue to be provided and that the transition of ACS from EED to a district or other organization would not impact their educational progress.

APR 14 2003



LEGISLATIVE INFORMATION OFFICE

PO Box 1189
Room 221, Jarvis Office Center
Delta Jct., AK 99737
Phone: 895-4236 Fax: 895-5017

MEMORANDUM

DATE: April 9, 2003
TO: House State Affairs Committee
FROM: Elizabeth A. Sarver *EAS*
Legislative Information Officer

SUBJECT: Testimony for House State Affairs Committee

Please accept the enclosed original(s) of written testimony for the House State Affairs committee hearing that was scheduled for 04/08/03.

Copies of this testimony were transmitted by fax on 04/09/03.

Thank you.

Enclosures: 1



Alaska State Legislature

**TESTIMONY AGAINST HB174: Closure of Alyeska Central School
House State Affairs Committee Hearing 4/8/03**

Please en

committe

ACS can provide high school programs for teacher aides, who need to become highly qualified under NCLB, which other correspondence programs cannot provide. **DO NOT** close Alyeska Central School. Only **ACS** has a faculty of teachers, who are already "highly qualified under No Child Left Behind (NCLB). Show our children that their future is a worthy investment and quality counts, School. **ACS provides a quality program with accountability for students and parents, which other programs in the state could not match.**

ACS provides for special needs students in a way that other correspondence schools can not do. In 1997 my daughter, who had just completed her sophomore year in our district's gifted and talented program, was in a near-fatal 4-wheeler accident, resulting in a severe traumatic brain injury that had damaged **EVERY** lobe of her brain. She suffered complete amnesia, with no memory of herself, her family, or the content of all the advanced coursework she had already completed at school. She spent three months in Providence Hospital in Anchorage where we began her arduous journey to regain **HER** life as she had known it. An advanced math student before was then learning addition and subtraction all over again. We had to take every subject and her music, learning them all over from the beginning and proceeding through them, step-by-step. **ACS** helped us do that providing her with the coursework for two basic science classes. She had scored in the 99%ile in both math and science prior to the accident! The quality hands-on materials they sent and quality lessons allowed her to regain her ability to return to Delta Junction High School, earning her diploma in 1999 and to go on to New York University as a Freshman the next Fall. This same young lady was honored by your Twentieth Alaska State Legislature as the grand prize winner of the Alaska Association of Bilingual Education Essay Contest! Without the quality materials and excellent staff support from **ACS**, this success story may not have had as happy an ending. **Save a program that has been an Alaska success story for over 60 years! Please vote NO on HB174! Show our children that their future is a worthy investment. DO NOT close Alyeska Central School.**

Signed:

Jackie Nelson, President, Delta-Greely Education Support Personnel Assoc. DGESPA
Mother of 3
HC 60 Box 4180, Delta Junction, AK 99737
(907) 895-4217 <jackie@wildak.net>

Subject: [Fwd: Alyeska Central School]
Date: Thu, 10 Apr 2003 15:57:47 -0800
From: Bruce Weyhrauch <Representative_Bruce_Weyhrauch@Legis.state.ak.us>
Organization: Alaska State Legislature
To: Ginny Austerman <Ginny_Austerman@legis.state.ak.us>

bill file

Bruce

Subject: Alyeska Central School
Date: Thu, 10 Apr 2003 08:26:05 -0800
From: "Shelley Jenkins" <jenkinss@mail.jsd.k12.ak.us>
To: representative.bruce.veyhrauch@legis.state.ak.us
CC: cowanp@mail.jsd.k12.ak.us

>Status: U
>Date: Wed, 9 Apr 2003 16:41:27 -0800
>To: jenkinss@jsd.k12.ak.us
>From: Peggy Cowan <cowanp@mail.jsd.k12.ak.us>
>Subject: message for Bruce Weyhrauch

>

>

>

>Dear Representative Weyhrauch :

>

>I talked to your staff person Terry this morning. The Juneau Board
>of Education met last night and discussed the idea of making ACS a
>charter school within the Juneau School District. It was the
>unanimous opinion of those present that a statewide program is
>outside of the mission of the Juneau School District. They discussed
>it and thought that you might want to amend the Charter School law
>to allow for a statewide charter school and have ACS chartered under
>that provision.

>

>Thank you for your interest in maintaining a quality educational
>opportunity for Juneau students and students statewide.

>

>Sincerely,

>Peggy

>

>Peggy Cowan, Superintendent
>Juneau School District
>10014 Crazy Horse Drive
>Juneau, AK 99801
>
>(907) 463-1700 ext 215
>(907) 463-1768 fax
>cowanp@jsd.k12.ak.us

Subject: [Fwd: ACS Closure]
Date: Thu, 10 Apr 2003 15:56:33 -0800
From: Bruce Weyhrauch <Representative_Bruce_Weyhrauch@Legis.state.ak.us>
Organization: Alaska State Legislature
To: Ginny Austerman <Ginny_Austerman@legis.state.ak.us>

bill file

Subject: ACS Closure

Date: Thu, 10 Apr 2003 07:41:04 -0800
From: Denise Maloney <dmaloney@alaska.com>
To: Governor's Budget <gov_budget@gov.state.ak.us>
CC: Scott Ogan <senator_scott_ogan@legis.state.ak.us>, Loren Leman <loren_leman@gov.state.ak.us>, Frank Murkowski <frank_murkowski@gov.state.ak.us>, Beverly Masek <representative_beverly_masek@legis.state.ak.us>, Donny Olson <Senator_Donny_Olson@legis.state.ak.us>, Lyman Hoffman <Senator_Lyman_Hoffman@legis.state.ak.us>, Ben Stevens <Senator_Ben_Stevens@legis.state.ak.us>, Robin Taylor <Senator_Robin_Taylor@legis.state.ak.us>, Con Bunde <Senator_Con_Bunde@legis.state.ak.us>, Lyda Green <Senator_Lyda_Green@legis.state.ak.us>, Gary Wilken <Senator_Gary_Wilken@legis.state.ak.us>, Bob Lynn <Representative_Bob_Lynn@legis.state.ak.us>, Bruce Weyhrauch <Representative_Bruce_Weyhrauch@legis.state.ak.us>, Ethan Berkowitz <Representative_Ethan_Berkowitz@legis.state.ak.us>, Jim Holm <Representative_Jim_Holm@legis.state.ak.us>, Max Gruenberg <Representative_Max_Gruenberg@legis.state.ak.us>, Nancy Dahlstrom <Representative_Nancy_Dahlstrom@legis.state.ak.us>, Paul Seaton <Representative_Paul_Seaton@legis.state.ak.us>

I'm am sending you figures on what my child's education could cost depending on the school she were to attend if ACS is closed. Keep this is mind when making your final decision.

Su Valley Jr/Sr High	\$19,495 (difference of \$16, 295)
Beryozava	\$ 9,997 (difference of \$6, 797)
Houston High School	\$3,403 (difference of \$3,203)

These figures show that if my child went to Su Valley you would have spent the equivalency of 5 students through ACS, 3 from Beryozava (not even sure she could go there), or 1 from Houston High. I'm sure these figures are comparable to others across the state. Due to accreditation issues and staff support these will be the choices that I will have for my child's education even though they are lacking in courses I feel my challenge her deucationally.

Sincerely,
Denise C. Maloney
PO Box 506
Willow, AK 99688
(907)495-1205
dmaloney@alaska.com

Subject: [Fwd: Please Retain Alyeska Central School (ACS)]

Date: Thu, 03 Apr 2003 16:26:22 -0900

From: Bruce Weyhrauch <Representative_Bruce_Weyhrauch@Legis.state.ak.us>

Organization: Alaska State Legislature

To: Ginny Austerman <Ginny_Austerman@legis.state.ak.us>

bill file please.

Bruce

Subject: Please Retain Alyeska Central School (ACS)

Date: Thu, 03 Apr 2003 12:31:23 -0900

From: Cheryl Shakespeare <Cheryl_Shakespeare@admin.state.ak.us>

To: Representative_Bruce_Weyhrauch@legis.state.ak.us

I encourage you to vote to retain Alyeska Central School. We have enrolled our son in a private school from K - 8, but the school does not offer high school. We enrolled our son in ACS because we thought that it was a stable home school. He is currently in 10th grade.

ACS provides a good alternative to local schools. We choose home schooling for flexibility, one-on-one adult/child ratio, hands on guidance on moral issues, etc.

ACS should actually be a cost savings measure - the local schools do not provide bussing, heat, lights, and furniture for our son.

We would appreciate your vote to retain ACS.

Cheryl Shakespeare <Cheryl_Shakespeare@admin.state.ak.us>

Accountant IV

Division of Finance (907) 465-2299

Administration

[Fwd: HB174-proposed closure of centralized correspondence]

Subject: [Fwd: HB174-proposed closure of centralized correspondence]
Date: Thu, 03 Apr 2003 11:49:48 -0900
From: Bruce Weyhrauch <Representative_Bruce_Weyhrauch@Legis.state.ak.us>
Organization: Alaska State Legislature
To: Ginny Austerman <Ginny_Austerman@legis.state.ak.us>

hb 174 file please

Subject: HB174-proposed closure of centralized correspondence

Date: Thu, 03 Apr 2003 09:34:49 -0800


From: "Mieke Malmberg" <mkm@quinnemanuel.com>

To: <Representative_bob_lynn@legis.state.ak.us>,
<Representative_bruce_veyhrauch@legis.state.ak.us>,
<Representative_ethan_berkowitz@legis.state.ak.us>,
<Representative_jim_holm@legis.state.ak.us>,
<Representative_max_gruenberg@legis.state.ak.us>,
<Representative_nancy_dahlstrom@legis.state.ak.us>

Dear House Committee on State Affairs:

I attended Alyeska Central School for most of my life and recently found out about this legislation from my younger brother. I understand that HB174 was referred to you yesterday. Attached is a letter that I have written expressing my concern about this legislation and setting forth arguments against it. I have already sent the letter to Rep. Seaton and, in order to avoid duplications, I am not including him on this email.

Thank you,
Mieke Malmberg

 correspondence.doc	Name: correspondence.doc Type: WINWORD File (application/msword) Encoding: base64 Download Status: Not downloaded with message
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Mieke K. Malmberg
California SBN# 209992

Home Address

846 Fourth St., Apt. 307
Santa Monica, CA 90403
(310) 393-4850

Family Address

P.O. Box. KPY
Port Bailey, AK 99697-0060

pilebay@yahoo.com

mkm@quinnemanuel.com

VIA ELECTRONIC MAIL and FIRST CLASS MAIL

House Committee on State Affairs
State Capitol
Juneau, AK 99801-1182

RE: HB 174 & SB 107 – Please DO NOT pass this legislation closing Alyeska Central School

Dear Representatives Weyhrauch, Holm, Dahlstrom, Lynn, Seaton, Berkowitz & Gruenberg:

Reference is made to the above legislation that, if passed, will require the closure of Alyeska Central School thereby a) taking away the centralized correspondence study program in the State of Alaska and b) leaving the responsibilities of administering a correspondence study to each individual district, a responsibility each district may choose to accept or not.

I. INTRODUCTION

I first heard about this proposed legislation last week from my 15 year old brother who is currently enrolled in Alyeska Central School ("ACS"). He wrote to me stating, "this idea [that ACS could be closed] is terrible. It [ACS] is a family tradition and we have to keep it going. Please write a letter to the legislature. WE CAN MAKE A DIFFERENCE." After researching and thinking about the proposal I agree with him: closing ACS is a terrible idea. First, a centralized correspondence study is the optimal model to deliver high quality educational services to remote students. Additionally, the closure of the centralized program will result in complete chaos and undependability as well as a lower quality of educational services delivered at a cumulatively higher cost. Finally, closing ACS fails to fulfill legislative intent because ACS' services are not 'duplicative' of other district programs and its comparatively large enrollment shows that it is valued and utilized by the State's residents.

II. ARGUMENT

A. Personal Experience Shows that a Centralized Correspondence Study Is Optimal for High Quality Education

Alyeska Central School (formerly known as Centralized Correspondence Study) has played an integral role in my life. Raised in a family of six children on a remote homestead located on the west side of Kodiak Island, I was enrolled in ACS from first grade through the ninth grade. Following the ninth grade I moved to the town of Kodiak and attended Kodiak H.S. where I graduated in 1992, finishing in the top 5% of my class. Since then I've earned a B.S. in Biochemistry and Cell Biology and a B.A. in History from the University of California, San Diego, graduated in the top 25% of my class from the University of California, Hastings College of the Law and passed the rigorous California Bar Examination on my first attempt. I am now a third year associate at a top-tier law firm in Los Angeles practicing primarily patent litigation.

Having attended both ACS and regular public school in the State of Alaska, I can attest to the high quality of education that ACS delivers. ACS is intellectually challenging, well organized and well managed. In fact, I firmly believe that ACS did a better job of preparing me for a highly ranked college and professional program than other options available in the State of Alaska. The commitment of the teachers is strong (some of my elementary and junior high school teachers are still at ACS) and the lesson plans are constantly being updated to keep up with the latest developments in education. Examples of how good the education is that ACS delivers abound, including the fact that it took me three more years of Spanish at Kodiak H.S. to reach the end of the first year of material that I had learned already at ACS to the fact that four out of five of my younger siblings (who were also educated through ACS) either hold college degrees or are currently enrolled in major universities (my younger brother is a high school student enrolled in ACS).

In fact, although the Kodiak School District has always offered an alternative correspondence program, my mother investigated that program and specifically chose to go through ACS believing that the quality of the lesson plans, the constant updating of the material and the fact that there are individual teachers trained and accredited at each grade level make it far superior to the program run out of Kodiak where there are only one or two teachers to assist all students at all grade levels. Judging from my success as an ACS student, I would have to agree.

B. **Requiring Each District to Administer Its Own Correspondence Program Invites Chaos, a Lower Quality of Education at a Cumulatively Higher Cost and Complete Undependability**

Removing the centralized correspondence program from the State of Alaska will be disastrous. In a state where a high number of rural students make correspondence study an absolute necessity, decentralizing this program and turning it over to the whims of each individual district can only invite chaos, a lower quality of education at a cumulatively higher cost and undependable administration. Following are several reasons that the closure of Alyeska Central School is an unsavory option:

- **There will no longer be teachers trained at every grade level, thereby decreasing the quality of education.** It is doubtful that individual districts will have the necessary resources to employ correspondence teachers that are certified in each grade level, relying instead on one or more teachers, each undoubtedly trained in only one level, to administer (or be prepared to administer) each and every grade level at all times. This will decrease the quality of education and individual assistance being delivered to rural students and their families.
- **The quality of lesson plans will suffer and local programs will no longer be able to rely on ACS to develop timely curricula.** With only a few teachers in each of the districts that choose to offer correspondence study, who will be responsible for developing new lesson plans and keeping abreast of current developments in education? Certainly a few teachers administering a program for multiple students across several grade levels will not have the time nor the expertise to develop and continuously update lesson plans that are timely and challenging for every single grade level for which they are responsible. In the past these local correspondence programs have been able to depend on ACS for current lesson plans and curricula; if ACS is closed this option will no longer be available.
- **If in fact the school districts decide to assign the correspondence responsibility to a teacher already teaching in that district, this will also be disastrous.** A teacher already dealing with the day to day rigors of being in a classroom will have no commitment to a correspondence program which, in order to run smoothly and well, would require creativity, self-motivation, constant diligence, upkeep and supervision.
- **Decentralizing the pool of resources will make it impossible for local programs with fluctuating enrollment to offer current materials and library services for each and every student each**

and every year. Distributing funding over several correspondence programs will ultimately cause it to be at a cumulatively higher cost and lower quality. With the current centralized correspondence model, one pool of funding can purchase books and supplies, pay teacher salaries and administer student activities and a library for a large pool of students in each grade level each and every year. By destabilizing this program it means that each district that decides to offer a correspondence program (currently, 12 districts)¹ must cover all of these expenses on its own. With the fluctuation of rural enrollment this means that while in one year there may be a student in each grade level, the next year there may be no students in a given grade level or several in another grade level. Given this constant fluctuation of correspondence enrollment within a district, it will be expensive and impossible to offer current books and materials for each and every student each and every year.

- **Differences in district allocations of funding will cause a disparity in the quality of correspondence education delivered by each district.** Different districts will allocate funding differently depending on enrollment and other factors. By decentralizing the correspondence program students and their families will lose the dependable high quality education they have come to expect and deserve from correspondence study.
- **A failure to designate specific funding for correspondence study will provide no safeguards whatsoever, allowing districts to use funding on other pet projects.** If correspondence does not have specific funding districts may be encouraged to start correspondence programs in order to be eligible for additional funding from the State and then allocate those funds elsewhere. Without safeguards, districts are more likely to take care of those students with direct access to their facilities than they are to take care of those rural students who are essentially 'out of sight, out of mind.'
- **De-centralizing correspondence study will cause home-schooling to lose prestige and credibility.** As someone who has been educated by correspondence study and questioned about it throughout my life, I am quick to remind people that Alaska's correspondence program is centralized, organized and controlled. The fact that there are accredited teachers at every grade level and that it is a public school funded by the State with a long history of offering high quality education lends to it a certain amount of respect and prestige. Decentralizing correspondence study will cause home-schooling to lose the prestige and credibility that the centralized program has fought so hard to attain. Consequently those who are educated through correspondence study will suffer.
- **Although people will be able to choose a correspondence program in which to enroll, closing ACS will make**

¹ See Governor's Transmittal Letter re: HB 174, dated 3/5/03 (hereinafter "Governor's Letter").

correspondence study an undependable option and possibly increase dropout rates. Districts that may offer an alternative program at first may decide in a few years that it is no longer feasible to run their own program due to the expense and changes in enrollment. Additionally, with changes in funding each year spread out over only a few students, the effects will be felt more harshly by those enrolled in a district than they are felt now by the entire student body of ACS. Because of the high likelihood that district programs will close down after only a few years of operation, or that districts may decide to begin programs later on or not at all, there will be no continuity in correspondence study. Without constant research (which is difficult in any rural situation) and marketing on the part of the districts (another unaccounted for investment of time and money), remote families will not know where to go for their educational needs and will constantly need to be re-evaluating their choices and their alternatives.

In a state where an appalling 6.2% of students in grades 7-12 drop out, the State of Alaska should be doing everything in its power to provide reliable and consistent educational choices to its residents.² This drop out rate (which does not even account for those students in grades 1-6) will only increase with the ease in which rural students will be able to disappear into the abyss, with correspondence programs opening and closing around the State. In a State where many individuals do not necessarily see the value of education, where seamanship and outdoor skills are more highly valued than a college degree, it is highly unlikely that most families will embrace the constant diligence and responsibility needed to ensure that their children are receiving high quality education through correspondence study. Such diligence and responsibility will be an absolute necessity if the centralized program is removed as a stable and viable option.

C. **Closing ACS Fails to Fulfill Legislative Intent Because ACS' Services Are Not Duplicative of Other District Programs and a Comparatively Large Enrollment Shows that ACS Is Valued and Utilized by Many Alaskans**

Although the legislation is aimed at cutting the costs of 'duplicative services' provided by district programs,³ there is a fundamental problem with this approach: ACS is not providing services 'duplicative' of other district correspondence programs. In order to be 'duplicative,' the service must be exactly the same.⁴ This is not the case. ACS is providing teachers trained and

² See Dropout Rates in 2000-2001 found at <http://www.educ.state.ak.us/stats/dropoutrates/2000-2001dropoutratesbyethnicity.pdf>.

³ See Governor's Letter ("Eliminating the ACS program will eliminate the duplicative services currently being provided by school districts enrolling and serving correspondence students statewide.").

⁴ See Webster's College Dictionary, defining 'duplicative' as an *adj.* of 'duplicate' - "a copy exactly like the original; anything corresponding in all respects to something else."

accredited at every grade level. ACS is providing constantly updated educational materials and lesson plans (which are often used by the district programs). ACS is providing superior library services and student activities to rural students. District programs, on the other hand, provide only a few teachers to administer the program for all students, often depend on ACS for their updated educational materials and do not provide the same extensive library services and student activities that ACS is able to provide to its students. While districts may choose to shunt some of their funding to a local correspondence program, it is unfair to remove ACS as an educational choice when its services are certainly not 'duplicative' of local programs.

Additionally, public information available on Alaska's schools fails to show why the centralized correspondence program, an important and fundamental service being provided to the State's residents, is being unfairly targeted by this legislation. According to the Alaska Department of Education and Early Development Office of Data Management, 34 out of the 54 school districts in the State (not counting ACS, which is considered a district for this purpose) boast *lower* enrollment than ACS as of October 1, 2002.⁵ Indeed, many of these school districts fall short of ACS' current enrollment by *several hundred students*. Clearly residents in the State of Alaska see the value of the centralized correspondence program and are continuing to utilize it despite the fact other options may be available to them.⁶

In closing, I ask that you please carefully consider the proposed legislation and do your part in preventing it from becoming law. If you would like to discuss anything with me

⁵ See Alaska Department of Education and Early Development Office of Data Management, statistics on school enrollment as of October 1, 2001 and October 1, 2003 found at <http://www.educ.state.ak.us/stats/schoolenrollment/2003schoolenrollment.pdf> and <http://www.educ.state.ak.us/stats/schoolenrollment/2003schoolenrollment.pdf>. The 2003 documents shows that 724 students were enrolled in ACS as of October 1, 2002.

⁶ See *id.* The fact that enrollment at ACS fell in the last year does not provide proper justification to close the school. While certainly the enrollment at ACS fell between 2001 and 2002, so did the enrollment in 32 other districts in the State (2 districts remained the same and 20 districts showed an increase in enrollment). None of these other districts face the possibility of being closed down.

personally, please feel free to contact me at the information above or at the offices of Quinn Emanuel Urquhart Oliver & Hedges, LLP, (213) 443-3183 (direct line).

Sincerely,

Mieke K. Malmberg, Esq.

cc: Grace R. Malmberg, home teacher

Subject: [Fwd: HB174-Proposed Closure of Correspondence]
Date: Thu, 03 Apr 2003 11:45:24 -0900
From: Bruce Weyhrauch <Representative_Bruce_Weyhrauch@Legis.state.ak.us>
Organization: Alaska State Legislature
To: Ginny Austerman <Ginny_Austerman@legis.state.ak.us>

bill file please

Subject: HB174-Proposed Closure of Correspondence

Date: Thu, 3 Apr 2003 11:18:40 -0800

From: "Malmberg, Tatiana" <TMalmberg@wii.com>

To: "representative_bruce_veyhrauch@legis.state.ak.us" <representative_bruce_veyhrauch@legis.s
"representative_jim_holm@legis.state.ak.us" <representative_jim_holm@legis.state.ak.us>,
"representative_nancy_dahlstrom@legis.state.ak.us" <representative_nancy_dahlstrom@legis.st
"representative_bob_lynn@legis.state.ak.us" <representative_bob_lynn@legis.state.ak.us>,
"representative_paul_seaton@legis.state.ak.us" <representative_paul_seaton@legis.state.ak.us>,
"representative_ethan_berkowitz@legis.state.ak.us" <representative_ethan_berkowitz@legis.sta
"representative_max_gruenberg@legis.state.ak.us" <representative_max_gruenberg@legis.state

Dear House Committee on State Affairs:

It has come to my attention that the State of Alaska is seriously considering closing down the State's centralized correspondence program (Alyeska Central School) in order to remove the costs of what has been cited as "duplicative services" provided by district programs. I understand that this House Bill was recently referred to your committee.

As a former ACS student I am vehemently opposed to this legislation. I grew up on a remote homestead on Kodiak Island and was enrolled in ACS from the first grade through the ninth grade. I am now a college graduate and employed as a Senior Business Analyst in Portland, Oregon for one of the largest wood products companies in the world.

I know first hand the quality of education that ACS delivers and find it hard to believe that the State of Alaska is actually considering removing ACS as an option. ACS' services are far superior and certainly not "duplicative" of those services delivered by district correspondence programs. This is because ACS services have teachers accredited at every single grade level instead of the district programs which tend to have only a few teachers to administer curricula across several students and multiple grade levels. Additionally, ACS updates and develops their educational materials so that they are continuously delivering high quality educational services to their rural students. In fact, if I remember correctly, the district programs often utilize materials and lesson plans developed by ACS in their own programs.

Leaving correspondence to the district level is a horrific idea and will only result in chaos and a lower quality of education because there will be fewer teachers and less of a commitment to the districts rural students. Additionally it will be impossible to continuously update and develop new material with a smaller staff that is not trained and accredited at every grade for which they are responsible.

Please prevent this legislation from becoming law, thereby removing a

dependable and high quality educational choice
that currently exists for the State's rural residents.

Sincerely,

Tatiana Malmberg

Senior Analyst
Weyerhaeuser Company
Portland, OR
(503) 412-2043
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Alyeska CG

Subject: RE: HB 174, Correspondence Study

Date: Mon, 10 Mar 2003 22:50:26 -0900

From: Doris Robbins <d Robbins@gci.net>

To: Representative_Carl_Gatto@legis.state.ak.us, Representative_Paul_Seaton@legis.state.ak.us,
Representative_John_Coghill@legis.state.ak.us,
Representative_Peggy_Wilson@legis.state.ak.us,
Representative_Les_Gara@legis.state.ak.us, Representative_Kelly_Wolf@legis.state.ak.us,
Representative_Mary_Kapsner@legis.state.ak.us,
Representative_Beth_Kerttula <Representative_Beth_Kerttula@legis.state.ak.us>,
Senator_Kim_Elton <Senator_Kim_Elton@legis.state.ak.us>,
Senator_Bruce_Weyhrauch <Representative_Bruce_Weyhrauch@legis.state.ak.us>

Representatives,

Did you know that Alyeska Central Correspondence is the only Alaska public school that meets the "Leave no child behind" standards? The school serves more than 1,000 students across the State from offices in the Goldbelt Building in Juneau. No extra rooms for students or desks, it is very economical. Reviewing the "Report Card for schools" on the State EED web site, it is the only correspondence program in Alaska that I could find which is accredited. Having used the school one year for my own children, I know first hand of the excellent work they do.

Also, study materials for correspondence are different than regular face-to-face lesson materials. Since it means running a separate program for correspondence students, I don't see how extra programs can be run from individual schools across the State and be economical or quality programs.

Alyeska reaches students by mail, telephone, and internet. They also have several on line classes for high school students. Teachers regularly communicate with students and parents and are available for help with homework. After learning about the plans for closing the school, I emailed some of the teachers last Sunday, expecting an answer no earlier than Monday. To my surprise, some of them were at work on Sunday and I received both a call and an email response.

Before this school is dismantled without knowing the facts, just to make an arbitrary cut in expenses, make sure you check it out. You may find that it is the best bargain around, and a role model for all of our schools. You don't have too far to go if you wanted to investigate it first hand.

Thank you for your consideration,

Doris Robbins
PO Box 21011
Juneau, AK 99802
(907) 364-3267

Subject: Concern respecting Truth in Education Story

Date: Wed, 05 Mar 2003 12:26:58 -0500

From: "J Allan MacKinnon" <jallan2760@email.com>

To: representative_bruce_veyhrauch@legis.state.ak.us,
representative_beth_kerttula@legis.state.ak.us, senator_kim_elton@legis.state.ak.us

Dear Friends:

Thank you all for your ear and representing the Juneau population. At first this communication is coming from Allan MacKinnon as an individual and is not from Margaret. On the face of it --it would appear that it is self serving since my wife is Acting Director of Alyeska Central School.

However, when material is put forward as fact; I am disturbed at misrepresentation and from my perspective it must be the TRUTH.

The release that you received and is out there from the Dept of Ed and the Governor's Office respecting the closing of Alyeska Central School is a very real concern.

1. Cost Savings

It saves the State nothing; all the funds are Foundation Formula money which would still be there and spent by others;

2. Real Impact. Loss of 50 jobs in the EED and Juneau.

3. Duplicate Services; the previous commissioner and board of education allowed districts to begin serving pupils Outside their boundaries several years ago. These districts borrowed tried and true expertise from Alyeska to produce their programs. They duplicated the State mandated distance delivery of courses; not the other way around.

4. The various district offered programs for correspondence or not of the same calibre as the ACS offerings. ACS has custom written Alaska based courses. ACS has actual teachers correcting the work of students and monitoring progress to completion and success. Many of the other correspondence (home schooling) options Allow parents to correct the work with little or no monitoring of quality or outcome by accredited staff.

5. The Staff at ACS was blind-sided by the Administration when they could find no places to cut in the Education Dept. Most programs are foundation funded, federal funded or required by law!

6. The Staff at ACS is terribly disrupted; do they begin to close down; look for other jobs or what?

7. The program has been around since 1939 and modified in statute some years ago to be the Statewide alternative available to all students no matter where they reside in the state. Should it be closed down--all students in the State can not be served by local districts, should not be and would be "left behind."

8. With the latest Federal mandates concerning excellence in education and monitoring of outcomes--this flies in the face of all the requirements of "No Child Left Behind."

9. Alyeska Central School has been cited as the "crown jewel" in the department's offerings with an excellence in teaching staff, writing of curriculum, creation of a web based school and recognition of its graduates.

10. The ACS Summer School, which is in high demand, is one of those items which, in some cases, is paid for by the recipient--not foundation funds. However, it is the only summer school offering of the quality to satisfy thousands of parents and students seeking to complete their education requirements.

11. This is the second disruption for staff at ACS. The previous director and commissioner had given notice of massive layoffs in January which very much affected morale at the institution. This is a second disruption of a much more public and grave nature.

Thank you for your initial comments in the media folks. This is a serious situation and would really impact the Education offerings of the State as we seek to graduate more youth no matter where they live.

Again, Margaret is not a party to this communication. She does not know that I am writing you. Please use these comments in your deliberations any way you wish. However, please do not use my name due to the nature of everyone's well being.

Thanks for your support of education and youth in the State of Alaska.
Respectfully and with kind regards,

Allan

J. Allan MacKinnon

life long Alaskan

--

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Subject: [Fwd: House Bill 174]

Date: Mon, 07 Apr 2003 10:54:32 -0800

From: Bruce Weyhrauch <Representative_Bruce_Weyhrauch@Legis.state.ak.us>

Organization: Alaska State Legislature

To: Ginny Austerman <Ginny_Austerman@legis.state.ak.us>

for the file

Subject: House Bili 174

Date: Mon, 07 Apr 2003 09:07:51 -0800

From: boys3andagirl <boys3andagirl@alaska.net>

To: <Representative_Bruce_Weyhrauch@legis.state.ak.us>,
<Representative_Jim_Holm@legis.state.ak.us>,
<Representative_Nancy_Dahlstrom@legis.state.ak.us>,
<Representative_Bob_Lynn@legis.state.ak.us>,
<Representative_Paul_Seaton@legis.state.ak.us>,
<Representative_Ethan_Berkowitz@legis.state.ak.us>,
<Representative_Max_Gruenberg@legis.state.ak.us>

Dear Representatives of the House State Affairs:

My name is Jathan E. Day, and I am a student through Alyeska Central School, a correspondence school. I am writing in regard to House Bill 174, which would ultimately shut down Alyeska Central School according to Frank Murkowski's budget plan, in order to eliminate duplicate services and to save on government spending. I would like to make a strong objection to this proposal.

For the past month or so, I have been writing these letters to the committees of which this bill has passed through, and quite frankly, I am not satisfied with the way this bill has been handled. It seems to me that some of you representatives think that we won't be greatly affected by any change that you make to a system, and that is where you are absolutely incorrect. We elected you into office with the promise that you would work to better Alaska, *not* to change it in some drastic way that causes problems and disagreements among the people. You are supposed to *work for us*, not the other way around.

I am sick and tired of writing these letters to committees who are not listening to us. It seems that I am not being aggressive enough with my politicians. Do not confuse our seriousness with simple government participation; we are *dead serious*. We don't really appreciate it when our supposed leaders are taking money and hope from places that are good and healthy to us. I am prepared to defend this case like a mother bear would her cubs. I do not want to see the death of such a wonderful and experienced place like ACS. I stand today with countless others who are in support for keeping ACS open. **WE WILL NOT ACCEPT "NO" AS AN ANSWER!!!**

I would like to once more go over the many qualities of Alyeska Central School, and why it is more than obvious that it should stay open.

HISTORY of ACS:

Alyeska Central School has been a constant and unconditional source of education since 1939. This means not only that the school has been providing these fantastic services for nearly 64 years, but it also means that this school is one of the most experienced schools in the entire state of Alaska. ACS had provided educational services to people who were living in the isolated areas of the state, but in these past years, they have evolved to benefit not only those who are in isolation, but those in communities, as well. ACS works for just about anyone in the state of Alaska.