

SB 96 Talking Points

1. Statewide cuts to school districts are roughly \$21M in FY18, \$36.8M in FY19, and \$52.7M by FY20, culminating in a sustained loss to districts of \$68,280,115 in FY2021 and every year thereafter. These cuts, phased in over four years (due to hold harmless provision currently in the foundation formula) will result **If ASD does not consolidate schools operating below 80% capacity and located within 25 miles by road to another school.**
 - a. The losses occur in only 20 of the 54 districts, meaning the impact of this provision impacts urban areas more than rural areas.
 - b. Information from state sources indicates that Anchorage will lose at least \$1.7M in FY18, \$6.6M in FY19, \$11.6M in FY20, and \$16.5M in FY2021.
 - i. The current “hold harmless” definition requires a 5% ADM reduction across the District to meet the criteria.
 - ii. If a waiver to the “hold harmless” provision is not applied, and this amendment passes, ASD would lose up to \$15 Million in FY18.
 - c. These cuts don’t account for inflation or annual salary increases. The actual impact will be more severe if annual salary and health care costs continue to increase.
2. Section 1 (Pages 1-2): Legislative findings of the Alaska Education Transformation Act in regard to virtual education, education spending, and quality teachers and classroom instruction.
 - a. ASD has invested in new digital technology plus K-2 curriculum for FY18. Systematic cuts across the board will limit the district’s ability to further update curriculum and digital learning technology.
 - b. This section of the bill is meant to expand virtual learning opportunities across the state.
3. Section 4 (Pages 2-3): Adds a new subsection to AS 14.03.073 requiring school districts to allow credit for gym, music, or art classes for a student that participates in an activity that meets the educational or physical requirements of the course. Cultural activities may be used to obtain class credit.
 - a. This section adds section (e) to AS14.03.120(a). This new section would allow districts to review, approve and give credit for physical education, music or art classes taken outside of school hours in grade 9 through 12. They gave examples of native dancing in committee discussion.
 - b. A possible amendment may include CTE.

4. Section 5 (Page 3): Amends AS 14.03.120(a) to add a requirement to the annual report school districts must submit to the Department of Education and Early Development (DEED). Districts will need to include categories of administrative employees and the ratio of the employees in each category compared to the number of students in the district.
 - a. Section 5 adds a new section (4) to AS14.03.120(a). This new section would require districts to compare the ratio of administrative employees to students and administrative employees to teachers. It would also need to be posted on the District's website.
 - b. The information is already reported in OASIS, the CAFR, and the annual budget. This amendment merely adds an additional reporting layer to information already provided to the public through other means.
 - c. Section 7, AS 14.14.110(a) defines Student Nutrition and Transportation as administrative expenses. See bullet 6 below.
5. Section 6 (Page 3): Amends AS 14.09.030(b) to require DEED to conduct one inspection for each school bus rather than two each year.
 - a. This reduction in inspections will not change ASD's ability to maintain their bus fleets.
 - b. Transportation is already underfunded by more than \$2 Million in ASD. The reduction in inspections won't impact our focus on safety, but we aren't funded to replace aging busses.
6. Section 7 (Page 3-4): Amends AS 14.14.110(a) to allow school districts to partner with businesses, nonprofit organizations, and state or local government agencies. This section also adds to the definition of "administrative services" to include student nutrition, student transportation, and health insurance pooling with the State plan. This section also adds to the definition of "educational services" to include teacher training and the use of technology to teach students such as the use of virtual education.
 - a. This amendment defines Student Nutrition and Transportation as administrative expenses. These functions should not be counted against ratios for Students and Teachers as they are separately funded organizations in the district. It makes no sense to take a federally funded Student Nutrition program and portray it as a negative impact on an acceptable Teacher or Pupil to Administration ratio.
 - b. Should be amended to read that DEED may "recommend" rather than "require" Districts to open facilities to local businesses, other Districts, or other government organizations. DEED provides no insurance coverage over ASD facilities and would have to create a new department in order to centrally manage facility usage across the state.

7. Section 10 (Page 5): Amends AS 14.17.450(a) to provide an exception to the School Size Adjustment (SSA) for schools that meet the qualifications in (g) of this section (Section 11).
 - a. If there are two schools in the same district that are under 80% capacity and within 25 road miles of each other, then their school size adjustment is the average daily membership (ADM) submitted for each of those schools rather than going through the school size table. In effect, it changes the “size factor” to a “1” for all affected schools.
 - b. This would result in a loss of \$15 Million for ASD unless the criteria in the “hold harmless” provision eliminates the need to have a 5% reduction in ADM across the district.
 - c. Anchorage School District cannot change boundaries or close schools on short notice. These actions require a year of planning and will likely result in increased transportation costs.
 - d. More than half of our students (more than 24,000 per day) live in neighborhood school districts so they can walk or drive to the school. Closing schools will add additional transportation requirements as approximately 12,000 students walk, or are driven by parents/guardians, each year. Each new bus route costs ASD \$100,000 per year.
8. Section 13 (Page 6): Amends AS 14.20.020(i) to require the State School Board to periodically adjust the minimum score needed to pass the Praxis exam so that Alaska has the highest testing standards for teacher certification.
 - a. Will make it harder to recruit teachers at a time when Alaska is facing substantial teaching shortages
9. Section 17 (Pages 9-12): Deletes a reference to AS 23.10.065(b) in AS 23.10.055(a) (Alaska Wage and Hour Act) which is repealed in Section 23 of this bill.
 - a. ASD applauds the elimination of the Bus Driver salary requirement (at least 2 x minimum wage), but it will not change existing contracts for bus services or current Collective Bargain Unit salaried employees. It will only reduce costs for new hires.