

January 26, 2022

Honorable Representative Ivy Spohnholz State Capitol Room 406 Juneau, AK 99801

Dear Representative Spohnholz,

Thank you for your support of Alaska educators and public education. I am writing today on behalf of NEA-Alaska's 11,000 members in support of House Bill 259.

We are excited about the potential impact of HB 259 on Alaska students and public schools. HB 259 represents a real acknowledgement that we can, and need to do better for our students. This legislation is a proactive approach which will create a sustainable stream of investment in our education system and begin to resolve the fiscal crisis which has plagued our state for far too long.

For years, flat-funding of public education, coupled with inflation, have significantly eroded the value of Alaska's investment in public education. The fiscal crisis has created legislative gridlock resulting in little progress or consideration of the many pressing issues our educators and students are facing on a daily basis. Fortunately, HB 259 represents a real opportunity for Alaskans to come together, put a big part of the fiscal crisis behind us, and to make an enduring investment in our state's future.

Thank you, Representative Spohnholz for bringing this proposal forward, your leadership, and steadfast support for public education.

Thank you,

1-7.12

Tom Klaameyer, President, NEA-Alaska

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To: House Education Committee From: Norman Wooten, Director of Advocacy

RE: Letter of Support for HB 259 – PFD; 25/75/POMV Split

The Association of Alaska School Boards is in support of HB 259. AASB's Delegate Assembly has several long-standing resolutions supporting the elements of this legislation. These include:

- Belief Statement #B.7 EDUCATIONAL PROGRAMS AND FUNDING AS TOP PRIORITY,
- Resolution #2.1 SUSTAINED, RELIABLE AND ADEQUATE STATE FISCAL PLAN AND EDUCATIONAL FUNDING FOR ALASKA'S STUDENTS THROUGH A NON-VOLATILE FUNDING SOURCE
- Resolution #2.2 URGING EARLY, ADEQUATE, EQUITABLE, AND PREDICTABLE FUNDING OF PUBLIC EDUCATION
- Resolution #2.14 PUPIL TRANSPORTATION
- Resolution #2.23 FUNDING FOR SCHOOLS BY ESTABLISHING THE BASE STUDENT ALLOCATION IN ADVANCE
- Resolution #2.50 INFLATION-PROOFED BASE STUDENT ALLOCATION (BSA) INVESTMENTS

Each year school board members and education advocates plead for education funding. And you routinely remind yourselves and the public of your constitutional responsibility contained in Alaska's constitution. *Article 7, Section 1* requires your support and funding of a public school system. And you have never failed to fund education, however, the Base Student Allocation has not been increased from the current \$5,930 since FY 17. Six years with no increase seems disingenuous to expect constant improvement in instruction and increasing standardized test scores. Utilities, supplies, transportation, fuel, salaries, maintenance, freight, food, instructional materials, communications, internet, and a myriad of other supplies and services necessary for operating a school system have all increased is the BSA. The proposed new language in HB 259 has provisions that address those times when the formula draw does not meet the BSA and also when the formula draw goes beyond the BSA need. This seems to be a responsible solution.

The proposed language in HB 259 would remove education from competition with all other appropriations and fulfill the responsibility of *Article 7, Section 1* of Alaska's Constitution. The legislature could then concentrate on the remainder of other services that provide for Alaska's citizens and make our state such a wonderful place to live and raise families.

HB 259 directly addresses several recommendations of the Legislative Fiscal Work Group. Creating a workable and reasonable solution to funding the PFD will remove that ongoing debate and allow the legislature to focus on public policy affecting all Alaskans. Additionally, it would provide that stable funding source for education and allow districts to concentrate on educational innovation to improve student outcomes rather than continually reducing programs due to erosion of the buying power of a flat funded Base Student Allocation.

AASB encourages your support of HB 259 as a way of further support Alaska's public school system and Alaska's future through the education of its young people.

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Members of the House Education Committee,

Alaska has long needed a stable, consistent, predictable, and adequate fundingsource for public education. Great Alaska Schools supports legislative bills that move the state closer to a stable, consistent, predictable, and adequate funding for education. Bill HB 259 does just that.

Throughout or advocacy efforts we've learned that Alaskan families really want our children to be prepared for the workforce or for further learning when they leave Alaska's public schools as young adults. A strong education system is really the only viable means for the majority of students to succeed. Research clearly shows that high-quality teachers lead to the greatest education outcomes. Yet, there is a national shortage of quality educators, and Alaska is losing those educators to other states. Alaska must prioritize creating an attractive work environment to retain the educators we have and attract future impassioned educators.

When we ask our education leaders why there are so many vacant positions, we hear time and again that recruitment and retention are the greatest challenges. Other states have shown that by prioritizing education with consistent funding they can draw quality teachers through solid retirement benefits, attractive healthcare options, and by incentivizing or compensating for higher learning in the profession.

The teacher turnover rate in Alaska is high and getting higher. This is incredibly costly to all districts, both financially and emotionally for students. Per Jim Anderson, CFO of ASD, it costs ASD approx. \$108,000 to onboard a single teacher. That's money that does not make it to the classroom. Further, the connection that students have with teachers through their K-12 years and those teachers remaining connected to their communities has an incalculable benefit for students. This has been underscored by the pandemic. During a time of dramatic uncertainty for children, the relationships students have with their educator can all too often be the only solid relationship that they have with an adult outside their home. When that adult is forced to relocate, it can be very destabilizing for a student.

Furthermore, since the BSA has been flat and the cost of operations have compounded over the last 8 years, ASD has worked carefully to equally allocate teachers in their schools, so when budgets are continually squeezed, it has led to a teachers being moved to other schools, the result of those moves are losses of continuity and colleague relationships for educators, and significant disruption for students.

This pandemic has certainly shown just how critical it is to have a safe and nurturing place for our children to learn so parents are able to continue to work.

We believe that there is a greater appreciation for our educators now, so this is the perfect opportunity to show them that they are valued by enacting legislation to support them.

Great Alaska Schools sees HB 259 as a sincere effort by legislators to set up stable, consistent, predictable, and adequate funding for public education, per the states constitution. We fully support this Bill and the % of the POMV being specifically allocated for public education.

Sincerely, Great Alaska Schools Anchorage Leadership Team



Representative Spohnholz,

I just wanted to send a quick thank you for your creation of HB 259 and also for taking the time to present it to the Alaska Council of School Administrators. While I regret I couldn't attend your live presentation, I was able to watch the recording. It was very well done and you made many excellent points about the need for consistent revenue for our state.

Here in Fairbanks our school board just voted to close three elementary schools next year. This decision was made in order to save approximately 3 million dollars. One board member also made mention of more school closures next year. We currently face an approximate 19 million dollar budget shortfall. We have seen a decline in enrollment over the last 10 years and have had budget cuts each of those years. Inflation is also a massive issue in our district. Using data from https://www.usinflationcalculator.com/inflation/current-inflation-rates/ the United States has seen inflation of about 18% over the past 9 years, not including any extra costs associated with living in Alaska. I appreciate that you recognize that inflation is slowly making it impossible to provide quality education to our students. Since over 85% of our costs are personnel, the only effective way to reduce our budget is to cut positions. This in turn leads to larger class sizes, decreased tutoring, and a lack of academic intervention.

Here is a quick breakdown of how class sizes have increased since 2013 here in Fairbanks.

Kindergarten- Was 22 with half-day instruction, it is now 25 with full-day instruction. 1-2 grade- Was 23.5, it is now 25 3-6 grade- Was 25.5 it is now 26 Middle School- Was 25, it is now 29. High School- Was 26.5, it is now 32.

Each bargaining unit has known there is "no money" and so has taken less in pay increases over those same years. Our teacher group has effectively lost 8% due to their wages not keeping up with inflation. Our ESSA group has effectively lost 5%. Our principal group has lost 10% due to increases in inflation.

I have traveled to Juneau in years past during the legislative fly-in, to ask for increases to the BSA and forward funding. Many of the legislators I met with were open to those ideas, but we all knew that without a consistent revenue stream it wasn't economically feasible. Thankfully, your plan addresses that issue and could be a huge benefit to schools across our state.

One more issue that is becoming untenable is the constant and considerable increases in health care costs to everyone here in Alaska. All three of our bargaining units are currently negotiating with our district and they are seeking each of the bargaining units to pay thousands in health care contributions to offset those rising prices. These contributions are in addition to pay freezes, meaning each member of every bargaining unit could potentially face a pay cut. Additionally, over the past several years educators have been forced to move from health care with low deductibles to high deducible plans to offset costs. Ever rising healthcare and a lack

of transparency over costs is a real problem and will continue to be until it is addressed at a state level.

Thank you for your time, your hard work, and for communicating with educators across our state!

Sincerely,

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Grant L. Guy Principal Woodriver Elementary 907 479-4211 ext. 47510

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