



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Education
& Early Development

OFFICE OF THE COMMISSIONER

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April 22, 2025

The Honorable Rebecca Himschoot
Co-Chair, House Education Committee
Alaska State Capitol, Room 411
Juneau, AK 99801

The Honorable Andi Story
Co-Chair, House Education Committee
Alaska State Capitol, Room 403
Juneau, AK 99801

Dear Representatives Himschoot and Story,

This letter serves as a response to questions addressed to the Department of Education and Early Development (DEED) at the Wednesday, April 9, 2025, House Education Committee meeting regarding the presentation on House Bill (HB) 76. All dollar figures presented in this document are in whole numbers.

1. Provide the studies or empirical data that supports incentivizing reading proficiency or growth over grants to districts with large numbers of students performing below proficiency in reading.

One of the most well-established examples is the Florida School Recognition Program, launched in 1999, which has provided financial rewards to public schools that earn either an “A” grade or improve by at least one letter grade on the state’s school accountability system.¹ These grades are based primarily on student performance and learning gains in core academic subjects, including reading. Schools meeting the performance thresholds receive \$100 per student in additional discretionary funding, which can be used for staff bonuses, educational materials, or supplemental support. In 1998, the state’s average fourth-grade National Assessment of Educational Progress (NAEP) reading score was 206, ranking among the lowest in the nation and

¹ Florida Department of Education. *Florida School Recognition Program*.
<https://www.fldoe.org/accountability/accountability-reporting/fl-school-recognition-program>

falling below the national average of 213.² By 2024, Florida's average score rose to 218, placing the state 10th nationally and remaining above the national average of 214.³

Tennessee has implemented outcomes-based funding approaches in education that tie public reimbursement to measurable student achievement.⁴ One example is the state's Pay for Success early literacy pilot, launched in 2018. In this initiative, nonprofit and private sector partners invested in early reading interventions for students in kindergarten through third grade. The State of Tennessee agreed to reimburse these partners only if specific reading outcomes—such as improvements in kindergarten readiness and early literacy proficiency—were achieved. Payments were contingent on verification by an independent evaluator. Preliminary results showed gains in foundational reading skills.⁵

On a national level, the National Math and Science Initiative (NMSI) has demonstrated how financial incentives tied to academic success can yield lasting benefits. The NMSI's College Readiness Program offers cash incentives to students and teachers based on participation and success in Advanced Placement (AP) courses and exams, including English. Evaluations of the program found that participating schools significantly increased the number of students taking and passing AP exams, particularly among low-income and underrepresented students.⁶ Follow-up studies of the program found associations between participation and increased college enrollment, GPA, and persistence through postsecondary education.⁷

By contrast, the federal School Improvement Grants (SIG) program allocated over seven billion dollars to underperforming schools based solely on need, without tying funds to specific, measurable student achievement targets. The program aimed to improve outcomes through prescriptive school reform models, but funding eligibility was determined by low performance status rather than demonstrated progress or capacity for improvement. A comprehensive national evaluation by the Institute of Education Sciences found that SIG had no statistically significant impact on reading or math achievement, high school graduation rates, or college enrollment when compared to similarly low-performing schools that did not receive the grants.⁸

² National Center for Education Statistics. *The NAEP 1998 Reading State Report for Florida*.

<https://nces.ed.gov/nationsreportcard/pdf/stt1998/99460fl.pdf>

³ National Center for Education Statistics. *NAEP 2024 State Profile – Florida, Grade 4 Reading*.

<https://nces.ed.gov/nationsreportcard/subject/publications/stt2024/pdf/2024220fl4.pdf>

⁴ Tennessee Department of Education. (n.d.). *Tennessee Investment in Student Achievement (TISA)*.

<https://www.tn.gov/education/best-for-all/tnedufunding.html>

⁵ First 8 Memphis. (2021). *Pre-K 2020-2021 Report*. Retrieved from

<https://static1.squarespace.com/static/61b23d84885f3e12021dcc07/t/623cdb8cbfd35f7e7a7ef638/1648155533003/F8M-Annual-20-21.pdf>

⁶ Jackson, C. Kirabo. (2010). *A Little Now for a Lot Later: A Look at a Texas Advanced Placement Incentive Program*. *Journal of Human Resources*, 45(3), 591–639. https://works.bepress.com/c_kirabo_jackson/1/

⁷ Holbein, J. B., & Ladd, H. F. (2021). *How College Incentive Programs Improve Long-Term Outcomes for Disadvantaged Students*. *Education Finance and Policy*, 16(4), 603–631. https://doi.org/10.1162/edfp_a_00315

⁸ U.S. Department of Education, Institute of Education Sciences. (2017). *School Improvement Grants: Implementation and Effectiveness Final Report*. <https://ies.ed.gov/ncee/pubs/20174013/>

2. Provide the percentage split for the School Bond Reimbursement if the moratorium is removed (50 percent state/50 percent district or 40 percent state/60 percent district).

If the moratorium is not reinstated effective July 1, 2025, the reimbursement rates will be 50 percent state/50 percent district for most projects; the rate will be split 40 percent state/60 percent district for projects that include additional space not meeting eligibility requirements.

Please don't hesitate to reach out with additional questions.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Deena Bishop', with a large, stylized flourish extending to the right.

Deena Bishop, Ed.D.
Commissioner

cc: Jordan Shilling, Director, Governor's Legislative Office