



State Of Alaska  
Legislative Affairs Agency  
Kenai LIO  
145 Main St Lp, Ste 217  
Kenai, AK 99611  
907-283-2030

Date: \_\_\_\_\_ 031516 \_\_\_\_\_

Please accept the enclosed original(s) of written testimony  
for the \_\_\_\_\_ House Finance \_\_\_\_\_  
teleconference hearing that was scheduled on  
\_\_\_\_\_ HB256 \_\_\_\_\_.

Thank You,

Kenai LIO

Ed Martin Jr  
Cooper Landing AK  
907-252-7857

## Our Ownership Stake in Alaska

### "Alaska's Land Voucher Program"

We, Alaska residents, have said for 50 years now that we are an Owner State, however, we Alaskans haven't asserted those rights and claimed our future other than the Permanent Fund & PFD! I say it's time and what better time than now when we really need to.

Alaska is facing a crisis of sorts due to our failure to address the above mentioned control of our future. We have been living off of our Grandparents & Parents tenacity and pioneer spirit. The first great land disposal in Alaska's past (The Homestead Act) which wasn't Alaska's idea but a Federal Act.

Yes, we have had land disposals, but those parcels for the most part have been "remote lands" which only benefited those of us that had the means (money & transportation [ie. planes and boats]) to settle those offerings. I say it's time ALL Alaskans acquire our stake of Alaska.

How do we do it?

#### The Plan

1) First, assert our right to "the Other ½ of the Permanent Fund Earnings " before our Government takes it for Government! That is the Governor's Plan and to further limit the PFD. Those earnings are ours!

2) Second, we insist that we Alaskans have a say or approval of the use of those Earnings so as we get a tangible from their use.

An "Alaska Land Voucher" good only for "Resident Alaskan Voters" whom have current status and under oath and affirmation intend to remain and make Alaska their home, similar to qualifying for the PFD but not as restricted.

These Land Vouchers could be accumulated by one Alaskan for up to a total of 5 (five) totaling 5 acres. This accumulation could be from other individual Alaskans gifting to a family member or an Alaskan friend. This could be to help a young family whom may have a desire to own land but can't afford such a purchase at this time in their lives but would surely give them a foot up in their future as Alaskans.

Reason : Alaska's past development was built by way of migration / immigration of our fellow US Citizens; our parents & grandparents in the years prior to Statehood!

Yes, that means our Children & Grandchildren become land owners in this Great State! Let's call it Paying Forward to our future.

3) Third, the first 1 Million Acre Land offer should be in proximity of our organized boroughs & municipalities so those lands become part of the tax base generating revenue for services locally. Then continue selling 1 million Acres per year for (4) four years thereafter to newer Migrants from the US and elsewhere who want make Alaska their home or want to become a Alaska Land Owner. Revenue wise Alaska would realize at average \$2,500.00 per acre sale value up to 2.5 Billion a year revenue per year for a total of 12.5 BILLION for use to cover a portion of the States Operational Budget.

4) Fourth, Alaska's economy has been partially driven by government spending for too long and as we see now, that can't be sustainable and shouldn't. Alaska's future is defined by our Constitution Art. VIII

## 1. Statement of Policy

(It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use

consistent with the public interest). We have at no better time in history at an hour of need but to rely on such a "public good" as this for which our founders of this constitution envisioned us to do. Alaska's future is in it's peoples and their individual / collective efforts to get value for their fruits of their labors. Those principals are which built this great Nation and state to date.

We shouldn't be trapped in the "Pie Theory" that that's what runs our Government or economy. New money & new wealth come from the land or creative enterprise entering into our markets not continuing printing dollars or redistribution of existing wealth which breeds division and delusion in our free enterprise system! Let us Alaskans show the world how the Last Frontier gets things done...

**From:** [austin roof](#)  
**To:** [House Finance](#); [Senate Finance Committee](#); [Patricia Walker](#); [Adam Berg](#)  
**Subject:** City of Sand Point Support for Public Broadcasting  
**Date:** Thursday, March 10, 2016 10:57:21 AM  
**Attachments:** [City of Sand Point - Public Broadcasting Support.pdf](#)

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Here is a letter of Support for Public Broadcasting in our community.

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**austin roof**

**General Manager**

**830 AM KSDP/Aleutian Peninsula Broadcasting, Inc.**

[\(907\)383-5737](tel:(907)383-5737)

# City of Sand Point



To Whom It May Concern,

The City of Sand Point is writing this letter in support of public broadcasting, and in particular for local support of our regional radio affiliate KSDP.

The Alaska Public Broadcasting service is a statewide essential service supported by the State of Alaska. Public broadcasting, and radio in particular, has a unique and important role to play in rural Alaska. Public broadcasting provides a wealth of civic, cultural and education information to Alaska residents, public safety and emergency communication services, not to mention programming and entertainment. In Sand Point, folks rely on KSDP for weather reports, commercial fishing updates and management reports, community event information, and showcasing local talent. In addition, the station live broadcasts our City Council and Borough Assembly meetings, streams Board of Fish meetings (when the internet allows!), and airs live basketball. In short, it is a crucial component of our community's health and well-being, not to mention local democracy.

We obviously realize the State of Alaska is facing another budget deficit for FY17, and likely additional deficits in future fiscal years. A budget shortfall in the range of \$2-3 billion results in tough choices and difficult cuts to all facets of state government across Alaska. The public broadcasting budget endured a severe cut during the FY16 legislative process, and further significant reductions are expected in FY17. Cuts to all segments of the government are expected for next fiscal year but the extent of the proposed reduction to public broadcasting seems disproportionate and will adversely affect the availability of service across Alaska. This is especially true in rural Alaska where public broadcasting is often the primary means of entertainment and community and regional information sharing.

We in rural Alaska are willing to "do our share" to help the State climb out of our fiscal hole, but the City of Sand Point respectfully requests the Alaska Legislature consider less severe cuts to the Alaska Public Broadcasting Commission in the FY17 budget.

Sincerely,

Glen Gardner, Jr  
Mayor



**From:** [Allen Joseph](#)  
**To:** [Sen. Lyman Hoffman](#); [Rep. Bob Herron](#)  
**Cc:** [Rep. Mark Neuman](#); [Rep. Steve Thompson](#); [Rep. Dan Saddler](#); [Rep. Bryce Edgmon](#); [Rep. Lynn Gattis](#); [Rep. Cathy Munoz](#); [Rep. Lance Pruitt](#); [Rep. Tammie Wilson](#); [Rep. Les Gara](#); [Rep. David Guttenberg](#); [Rep. Scott Kawasaki](#); [Rep. Mike Hawker](#)  
**Subject:** Support for funding of public broadcasting  
**Date:** Thursday, March 10, 2016 2:17:04 PM

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I'm speaking in support of funding for public broadcasting because not only is it informational, but it also serves many purposes. I am from the Bethel area where we have KYUK, a public broadcasting station. My comments about public broadcasting are specific to my area than Alaska in general, although other Alaskans may agree my comments are pertinent to their regions as well. The below are why public broadcasting is important to me, my family and friends:

-Weather advisories. Public broadcasting is a valuable resource for planning outings in the wilderness. It becomes especially valuable when you are out in the wilderness where there is no internet or phone service. You get out a couple miles out of say Bethel and you begin losing internet and cell phone service. We listen to radio a lot for weather forecasts when we are out fishing, hunting or berry picking when we are many miles out of town and if we hear of severe weather coming, we appreciate that and head back home to safety.

-Community discussions – I think the forums and talk shows on public broadcasting systems do a lot to educate people on local issues and encourages/provides them a venue to speak out on topics that are important to us.

-Political discussions – What will we do without our politicians? Public broadcasting is a great way to get to know them. Gavel Alaska on 360 North is an excellent example because we get to watch and see our Alaska Senators and Representatives discuss and vote on bills and resolutions that matter to us.

-Local news – I believe a town or village is a healthy and productive community when information is shared. Without news we surely will come to a standstill as a community because we don't know or won't know what is going on around us.

-Community events – Announcements of local activities and events are important to any community; Public radio promotes local commerce and social interaction, especially with Saturday Market events and fund raising activities in Bethel and villages. Many people can't afford internet or cellphone and public broadcasting is their only service.

-Public Safety advisories. Public broadcasting is much appreciated when it comes to Search and Rescue and law enforcement announcements, especially when people are lost and the public is asked to keep an eye out for them. It especially becomes important when these public safety groups announce the danger of river ice when holes open up somewhere along the Yukon and/or Kuskokwim River. I think this service prevents needless loss of life and property. It got interesting the year when a big earthquake and tsunami hit Japan and Alaska radio was abuzz with tsunami warnings all along its coastline.

-Education – I believe the children's educational shows are still very beneficial to today's learning kids. Even the health and science and other public broadcasting educational shows are very beneficial to older kids and adults.

-USFWS and ADFG announcements – These fish and game agencies at times announce on-the-spot or emergency hunting season openings and closures, as well as, commercial fishing announcements. We stay glued to radio for latest announcements when out hunting or fishing and there is no other way to get information on updates.

The above are a few things why public broadcasting is still necessary and important to us rural Alaskans. Public radio is a valuable resource and even though we might have internet and cellphones, we still rely a lot on public broadcasting in our lives as individuals and community. Please keep public radio funded, it will continue to do us a lot of good now and into the future.

Allen Joseph

PO Box 1253

Bethel, AK 99559

**From:** [Norm McCall](#)  
**To:** [senate.state.affairs@akleg.gov](mailto:senate.state.affairs@akleg.gov); [House Finance](#)  
**Subject:** Alaska budget deficit.  
**Date:** Thursday, March 10, 2016 2:54:43 PM

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Where is Ramona Barnes when we need her.

Rather than doing what so many of them before me and say don't cut my whatever it is pet program. I'm going to say take the earnings from the dividend of the Alaska permanent fund. Institute income tax on gross earnings. make all benefits, Medicaid, welfare ect counted as income, including the gal with kids getting state benefits living with her boyfriend getting paid to clean house and getting \$5,000 earned income credit. Count all of that as income. If you can believe the census and State Dept of Labor less than 50% of the population has a job. There might be a revolt by those paying for those that don't work, do ya think?

Remove welfare from being a career occupation. It is not the responsibility of the government to take care of those who choose not to take care of themselves. There are people that do need help, but they are very few compared to the users and 3rd generation system children that know how to work our system. Many families have brought up relatives to live in Alaska, just for the benefits. I know several of these that work under the table and take the benefits and are proud of it. I know of those getting senior boxes that give away over half as they won't eat it.

Better yet do like, I think it was Arizona that will only give 1 year public assistance. People will either go to work or leave, either way the states burden will be way less. Maybe that senior food box rice won't taste so bad then.

I applaud the lady that said, if Alaskans can afford to live here without their senior benefit they need to leave. It is not a longevity benefit it is **welfare**! did they work for it, or earn it.

Senior assistance give it to all or none, and I don't think we can afford all. As a result of the news information about the benefits being reduced. I discovered I was eligible, but I'm able to get by on what I have and I do not need or want a handout. I make my own Medicare payments out of my SS disability payments.



The state is responsible for an education, but it's not responsible for the add-ons and the flagrant disregard for expense that occurs. Sports is important but it is not required for an education. Flying and housing, football, basketball, hockey, and whatever teams all over the state is not a prudent expenditure. Likewise, UAA having a sports arena that I seriously doubt the income covers 3% of the operating expense and watching performances in a near empty stadium after what was spent makes you want to cry. Awarding scholarships to those that are not even US citizens. Sending the women's volleyball team on a six-week European trip playing exhibition matches around Europe. Sports are nice but not needed for an education. Pull funding from those that have to have there sports and let them figure out where to get the money.

Limit state funded travel for all but necessary state business, and if done so. Ensure that all follow the same guidelines for expenditures not like the junket by legislators and staffers in Seattle. Discipline or fire all those that exceed those guidelines, and corporal punishment for those that approve those lavish expenses for travel. Extremely poor example in these times showing how much you care for yourself and how little for the states recourse.

Remove state support from all .orgs where anyone receives a salary over \$100,000 a year. Many organizations were created with a great-looking idea to just fund theirs and their families lifestyle on our nickel. Remove any state benefits for .org employees.

Likewise, a lot of our state agencies that are quote helping people adding more to the roles that need help, then what is justified in order to justify they jobs and increase their department.

What say we take say 1970 state budget when we paid state income tax and school tax from our first check. Correlate that to today's dollar for a budget. Those were needed services and if the pet got to have program isn't there. Let those that have to have it figure what to cut out of the budget to pay for it or find another way to pay for it. I am sick of hearing you can't cut early child development fund. Where was that when I was growing up and raising my kids 40 years ago.

I have another idea make me King Walker and I will fire or terminate every state employee remove all there benefits and just let the lawyers have all the money.

My 1 1/2 cents. incase you haven't noticed I am mad as hell and will do my best to follow what you are spending OUR Money on. flush those pet projects down the toilet!

Norm Mc Call

**From:** [Hayesks@aol.com](mailto:Hayesks@aol.com)  
**To:** [Sen. John Coghill](#); [Sen. Mia Costello](#); [Sen. Mike Dunleavy](#); [Sen. Berta Gardner](#); [Sen. Cathy Giessel](#); [Sen. Charlie Huggins](#); [Sen. Pete Kelly](#); [Sen. Anna MacKinnon](#); [Sen. Lesli McGuire](#); [Sen. Kevin Meyer](#); [Sen. Peter Micciche](#); [Sen. Bert Stedman](#); [Sen. Gary Stevens](#); [Sen. Bill Stoltze](#); [Sen. Dennis Egan](#); [Rep. Mike Chenault](#); [Rep. Matt Claman](#); [Rep. Jim Colver](#); [Rep. Harriet Drummond](#); [Rep. Les Gara](#); [Rep. Lynn Gattis](#); [Rep. David Guttenberg](#); [Rep. Mike Hawker](#); [Rep. Bob Herron](#); [Rep. Shelley Hughes](#); [Rep. Craig Johnson](#); [Rep. Andy Josephson](#); [Rep. Wes Keller](#); [Rep. Gabrielle LeDoux](#); [Rep. Bob Lynn](#); [Rep. Charisse Millett](#); [Rep. Cathy Munoz](#); [Rep. Benjamin Nageak](#); [Rep. Mark Neuman](#); [Rep. Kurt Olson](#); [Rep. Daniel Ortiz](#); [Rep. Lance Pruitt](#); [Rep. Lora Reinbold](#); [Rep. Dan Saddler](#); [Rep. Paul Seaton](#); [Rep. Irv Spohnholz](#); [Rep. Louise Stutes](#); [Rep. David Talerico](#); [Rep. Steve Thompson](#); [Rep. Cathy Tilton](#); [Rep. Liz Vazquez](#); [Rep. Tammie Wilson](#); [Rep. Adam Wool](#)  
**Cc:** [bill.walker@alaska.gov](mailto:bill.walker@alaska.gov); [byron.mallot@alaska.gov](mailto:byron.mallot@alaska.gov)  
**Subject:** Restore Funding for Assistance to Low Income Senior Citizens  
**Date:** Thursday, March 10, 2016 3:55:17 PM

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Dear Members of the Senate and House of Representatives,

I would like you to know that I am ashamed of the Governor and those in the Legislature who support defunding programs to assist the senior citizens of Alaska. Our senior citizens should not suffer because of the government's foolishness during the past 40 plus years. I was born in Alaska. I have lived and worked here. I know what Alaska was like in the 1950s and 1960s and since then. Many people in Alaska grew up without being able to see their grandparents, aunts and uncles and cousins due to the expense of traveling to the Lower 48. Back then, people in Alaska did not have Spring Breaks so the family could go to Hawaii, Mexico, Disneyland, etc. Most everyone lived on a budget. Alaska was not a give away state back then. People worked hard and appreciated what they had.

Most of the pre-pipeline era citizens were not in favor of abolishing the state income tax, nor the annual school tax. As to the Permanent Fund Dividends, the longtime Alaskans were more than willing to accept a one-time payment based on their years in Alaska. The newcomers insisted on a piece of the pie.

When you cut jobs, people do not have money to pay their mortgages, nor are they able to pay their property taxes, which support the schools, police, fire and utilities. It is also essential to support the local businesses. Living on a budget means one sticks to the basics. Fancy buildings and special interest projects are not considered basics.

Doing something about the horrendous cost of medical insurance and medical care is also something that needs to be addressed. Although the cost of medical care has increased, the quality of care has seriously decreased. Many of those in the medical profession, because of their greed, also seem to think that the senior citizens have outworn their usefulness.

The State has spent over 40 years throwing good money away on special interest projects, paying for unnecessary studies, and deal-making amongst the politicians, oil companies and lobbyists. The majority of those individuals profiting did not live in Alaska during the 1940s or 1950s, or even the 1960s and only moved to Alaska to take advantage of the pipeline-era boom and resulting oil revenue.

The State can certainly cut funds from other projects, such as the Knik Arm bridge project and all the money that has been wasted on construction and environmental studies, etc., for the benefit of a few. I mean, how many people are actually going to pay a toll fee to cross a bridge in Alaska? There is also all the money that has been wasted on the Anchorage Legislative Affairs Office and subsequent consequences, as well as other projects throughout the State.

Instead of giving the money away to the rich through oil tax cuts and special interest studies, let us support our senior citizens who actually live in Alaska and contribute much to this State.

Sincerely,

Karen Hayes

Anchorage, Alaska

Cell: 907-242-9822

**From:** [Emily Becker](#)  
**To:** [House Finance](#)  
**Cc:** [Jessie Moan](#)  
**Subject:** Alaska Cooperative Extension  
**Date:** Friday, March 11, 2016 4:48:02 PM

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Greetings.

I am writing to lend my support to the Alaska Cooperative Extension Service, a program of the University of Alaska and the federal government.

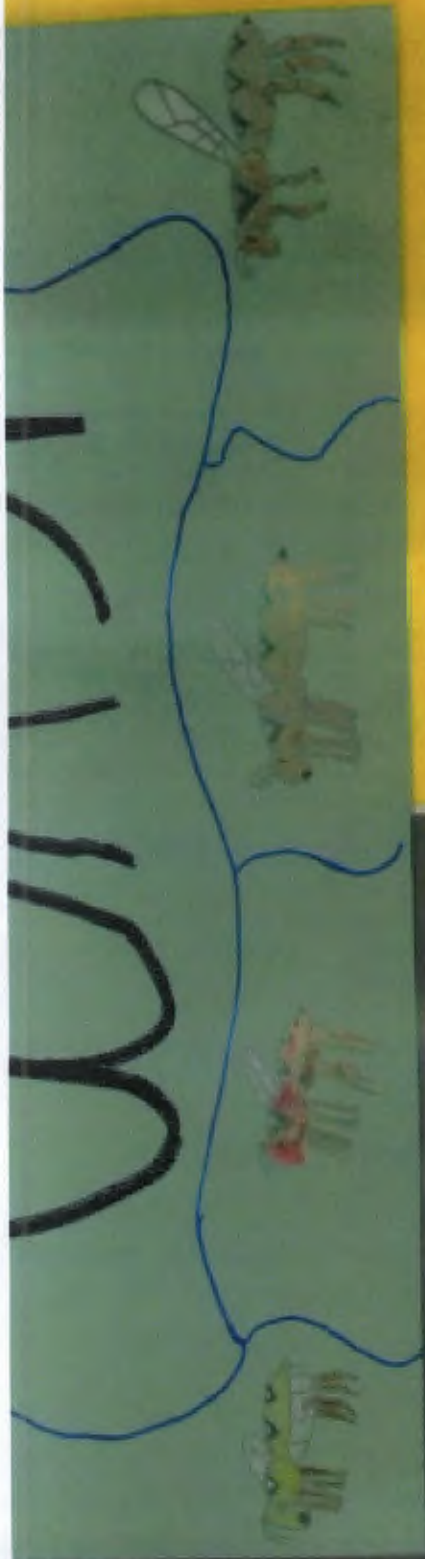
Recently my students and I discovered a wasp nest in our school greenhouse. We sent a few pictures to Jessie Moan, the extension's entomologist. Jessie wrote back right away and gave the students information about what type of wasp might have made the nest. The students were very excited and did a lot of research learning about wasps. They entered a project about wasps in our school science fair and won a first place ribbon; I've attached a picture. They gained a lot of appreciation for these insects and their complex social lives! We would not have known where to start researching without the information from Jessie.

It would be a huge mistake to lose professionals like Jessie. I encourage you to fund the Alaska Cooperative Extension service.

Thank you,

Emily Becker





## Difference between Bee and Wasp

By: Donahven

The difference between a bee and a wasp is that the wasp does not eat honey or produce honey. A wasp and a bee are both members of Hymenoptera. Wasp colonies are generally smaller than bee colonies. Bees have hairy bodies and wasps don't.

## About Wasp Nests

by: EJ and Nico

Wasps are social. They live together in the same space.

Wasps build their nest out of chewed weathered wood. When the nest is finished some nests are grayish brown. Sometimes caterpillars and bees end up in wasp nests. The cells in the nest are made for the babies. When the queen lays eggs it's always one egg in each cell. When the babies poop the queen eats their poop so she doesn't have to search for food. The wasps have to protect the next generation so their colony lives. When the rest of the colony dies the queen hibernates in the old den or

## What do wasps look like and how big are they?

by: Nico

Wasps are  $\frac{1}{2}$  to  $1\frac{1}{2}$  inch long. Some wasps look like a bee because they are black and yellow. Lots of wasps are different colors like bright red, black, yellow, brown and metallic blue. Wasps come in any color imaginable also the brighter colored species are in the vespidae or stinging wasps family.



**From:** [Willis Tapscott](#)  
**To:** [House Finance](#)  
**Subject:** Cut the State Operating Budget!  
**Date:** Friday, March 11, 2016 11:30:54 AM

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Dear House Finance Committee General,

I am writing you today because I am concerned about our state deficit.

Right now it looks like we will be running a deficit of \$3.5 billion for the second year in a row.

But please do not raise my taxes in order to fix this problem. Instead, we should cut our state operating budget by at least \$500 million.

I am asking you today to please cut the state operating budget!

Thank you,  
Willis Tapscott  
3204 Muriel Pl  
Anchorage, AK 99517

**From:** [Mike Albertson](#)  
**To:** [House Finance](#)  
**Subject:** Fw: House Resources Committee Oil and Gas tax credits  
**Date:** Tuesday, March 15, 2016 11:26:32 AM

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I neglected to include my contact information with my previous email.

Michael Albertson  
PO Box 84287  
Fairbanks, Alaska 99708  
907-328-9213  
Senator Kelly and Representative Thompson are my district reps.

----- Forwarded Message -----

**From:** Mike Albertson <[albertsonmd1@yahoo.com](mailto:albertsonmd1@yahoo.com)>  
**To:** "lhscres@akleg.com" <[lhscres@akleg.com](mailto:lhscres@akleg.com)>  
**Sent:** Tuesday, March 15, 2016 11:21 AM  
**Subject:** House Resources Committee Oil and Gas tax credits

I wish to address the current discussion on Governor Walkers proposed cuts to the oil and gas industry and increased taxes. I do not think the governor's proposal cuts enough in tax credits and incentives or raises enough revenue on the oil and gas industry in Alaska.

SB 21 passed in 2013. For 2014 the state DOL numbers for new hires in the oil and gas industry were 515 non residents and 210 residents. That means that for every Alaskan hired in the industry there were 2 1/2 non residents hired. I suspect that when job losses for 2015 are released there will be three to four Alaskans who lost jobs in the oil and gas industry for every non resident. Those numbers are not in our best interests.

SB 21 was to increase jobs, increase production of oil, increase oil in the pipeline and generate additional revenues for the state. None of the predictions have materialized. Mustang Oil Company on the North Slope has received significant state investment compared to what it has invested in state. A processing plant estimated to cost \$215 million has so far received \$49 million from AIDEA yet only \$29 million from the oil company. The company may invest up to an additional \$50 million in the plant. That leaves \$89 million unexplained which will probably be supplied again from AIDEA.

Mustang also received \$20 million dollar loan from AIDEA for construction of a road and drilling pad from the state of which they have paid back half to date.

Production taxes for Mustang will be zero unless oil reaches somewhere between \$73 and \$85 per barrel depending on whose numbers you accept.

In exchange for this massive support from the state Mustang had agreed to accelerate production of oil destined for the pipeline. At one point they said maybe by 2014, then 2105 and then 2016. Now they are slowing the timetable and have pushed it out to 2017 with no real guarantees.

Since SB 21 was passed in 2013 we have seen Cook Inlet companies pack up and head south. Apache Oil Company and Miller Energy are two of those companies who received massive state incentives without producing anything.

I can understand how the public may not be privy to a lot of the details contained in SB 21 but with all your expert testimony how is it that the members of the legislature have no idea what is really contained in SB 21 from the oil industry written bill? You have expended significant funding for expert testimony and have unlimited state resources yet seem to be as much in the

dark as the average Alaskan.

There may have been a time when we could afford to throw money away on a pipedream but today we have neither the savings or the revenues to continue this wasteful and lopsided arrangement with the oil and gas industry in Alaska. Lets get a fair return for our oil and gas resouces.

I also suggest any incentives or tax credits be based upon a very high Alaskan hire number. A company has the right to hire anyone they wish and can choose to accept or decline incentives from the state that require Alaskan workers at 90+ percentages. The same requirement should be part of any AIDEA loans.

## Valdez Legislative Information Office

Email: Valdez\_LIO@legis.state.ak.us  
Phone: 907-835-2111 Fax: 907-835-2097

### WRITTEN TESTIMONY

NAME: Walter Wamsley, Valdez, Alaska 99686

REPRESENTING: myself

BILL#/ SUBJECT: UAF Budget

COMMITTEE &

HEARING DATE: Finance Committee/ 3-3-  
2016

Finance\_Committee: I believe your extreme starting cuts to the UAF budget are too much. We must continue to support UAF with a sustainable budget!!! Our state has spent millions for the Susitna dam project, the Ambler road, the Knik Arm bridge, and Point Mckenzie, and what are we getting for all those millions? Please look to revenue solutions, for example, a state wide sales tax. UAF is one of our best economic engines for providing jobs and supporting our State! Please support UAF. Education is one of the best things we can do for our kids and our State.

Thankyou for all of your hard work.

Sincerely,

Walter Wamsley

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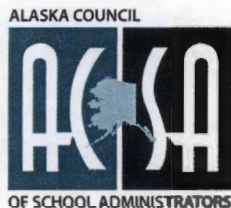
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234 Gold Street • Juneau, AK 99801  
Phone: (907) 586-9702 • Fax: (907) 586-5879  
Website: [www.alaskaacsa.org](http://www.alaskaacsa.org)

## Alaska Council of School Administrators

March 6, 2016

Representative Mark Neuman, Co-Chair  
Representative Steve Thompson, Co-Chair  
House Finance Committee  
State Capital  
Juneau, Alaska 99801

Dear Chairman Neuman and Chairman Thompson:

Our organization represents a broad range of educators across Alaska – superintendents, secondary and elementary principals, school business officials, and others. More significantly, we represent the professional voice for districts/schools and the education we deliver every day to students in every far-flung region of our state. Our members are able to provide you with insight into the reality of operating our state's schools. We would be remiss in our duties if we let pass without comment the current education budget before your committee.

Let me begin with the obvious – we recognize the tremendous difficulties inherent in the current budget crisis, and appreciate you, Representative Gattis as chair of the DEED subcommittee and your other committee members, and their respective staff members work to find a path forward. Nonetheless, I must counter the idea heard round the capital to the effect that education must feel the pain of budget cuts for the citizenry to accept the depth of the shortfall. Students and classrooms do not need to feel pain – they require steadfast support and continuity in the face of these issues, and they require the funding necessary to fulfill both the constitutional duty to education and the dreams all Alaskan's hold for their children and the future.

The budget subcommittees have finished their work on House Bill 256 and the FY17 operating budget, moving them thus to your full committee. Although the Base Student Allocation (BSA) is currently funded at 100% including the \$50 increase over FY16, the subcommittees were instructed to evaluate only the non-formula numbers section of the budget. We are hopeful the BSA will remain as is. A primary concern going forward is the potential for cuts to the foundation formula itself, which is of course the lifeblood of districts, schools, and teaching. Were such a change proposed as it was last session, we ask that it be done in the full light of public comment and an open discussion of ramifications, rather than at the last minute in the close of session chaos. We have already been operating under the 24-hour rule for weeks, which does not lend itself to meaningful deliberation.



Turning from the foundation to DEED itself, the chart below reflects the recommendations forwarded from the DEED subcommittee:

|   | Amount        | % Change |
|---|---------------|----------|
| UGF Total for FY17  | \$ 44,099.3   |          |
| Total Funds for FY17  | \$ 379,552.1  |          |
| UGF Difference from<br>FY16 Mgt Plan to House<br>Subcommittee | \$ (10,068.0) | -18.6%   |
| UGF difference from<br>FY15 Mgt Plan to House<br>Subcom       | \$ (25,073.9) | -36.2%   |

The specific cuts to reach these numbers were as follows:

- Declined to reinstate Pre-K programs for FY17
- Eliminated the ANSEP grant and the Statewide Mentoring Program
- Reduced Broadband Assistance Grants to \$1.8M
- Eliminated the Online with Libraries (OWL) program (761.0)
- Reduced the State System of Support program by 19% or 379.4
- Reduced travel, services, and commodities by 33% or \$1.32M

ACSA strongly encourages development of comprehensive statewide programs to prepare, attract and retain high quality effective educators and professionals. The Statewide Mentoring program and the State System of Support program are both research supported best practice critical programs that support this ideal.

We believe that the Alaska Broadband Assistance Grant should be recognized as a mission critical, sound investment that is restored and included in this and future years' budgets. BAG is an incredibly efficient use of state education dollars leveraging Federal E-Rate dollars. The majority of BAG recipients are rural and receive nine Federal E-Rate dollars for every one dollar spent by the state.

With regard to early childhood education, ACSA believes early childhood education must be a priority for all Alaskans who desire to increase the long-term success for all children. Research is clear and consistent that the benefits of quality early childhood education are significant. ACSA supports reliable, long-term funding of early childhood education programs that will offer quality early education opportunities to children across Alaska.

In addition, there were reductions in other components to Early Learning Coordination, School Finances & Facilities, and Archives and Museums. It should also be noted that during the 2016

legislative session, DEED's Division of Teaching and Learning Support (TLS) saw a 42.2% reduction and the loss of one position. This reduction stemmed from cuts to programs, such as Alaska Learning Network, WorkKeys, and ANSEP. There also was an additional \$400K unallocated reduction, resulting in 8 vacant positions not being filled throughout the year.

In the proposed amended Governors 2017 budget, TLS deleted 3 more positions, which was then further reduced by the subcommittee during their closeout. To determine reduction amounts component-by-component, the House Finance DEED Subcommittee used a methodology that focused on reductions to travel and information services. However, travel in TLS is often funded with federal funds, rather than with state general funds. Therefore, TLS cannot meet the reduction amounts by reducing travel, which effectively means the reduction will occur in personnel. TLS is projecting laying off 9 current staff and leaving 8 current vacancies unfilled.

Reductions proposed by the House Finance Subcommittee and the Senate Finance Subcommittee reflect an approximately 45% reduction to the Department of Education and Early Development (DEED) over the past two years. These cuts are amongst the highest, if not the highest, reduction to a state department.

Contrast the proposed cuts with the reality of the needs – Alaska has some of the highest teacher turnover in the United States, some of the most isolated and challenging teaching environments, a sky high rate of superintendent (highest in Alaska's history almost 60% since 2012) and other professional turnover, and in Anchorage (essentially half of our system), some of the most diverse student bodies to be found anywhere in the country. Thus, our schools need the strongest support possible from DEED, rather than indiscriminate reductions. In the coming year DEED has tremendous work in front of them including securing a statewide assessment that reflects Alaska's needs as well as developing the state plan for ESSA. Having said that, we all recognize the need to continue to find ways to modernize our delivery.

In conclusion, we urge you to reconsider these reductions, and to balance necessary reductions with necessary revenues. Our students deserve the best Alaska has to offer, not the least worst compromise. We remain committed to serving your deliberative process with quality information, and are available to provide whatever help you might request.

Best regards,



Elizabeth Skiles Parady, J.D., Ed.D.

Executive Director





## Arctic Alliance for People

PO Box 70416, Fairbanks, Alaska 99707 [aap@fairbanksinfo.com](mailto:aap@fairbanksinfo.com)

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Dear Legislators,

Arctic Alliance for People is a collective of health and human services organizations in the Fairbanks North Star Borough that has been advocating on behalf of our sector for over three decades. We would like to thank you for your time and energy that has been put into coming up with a sustainable fiscal plan for Alaska. We recognize that it is not an easy job, and appreciate your efforts. Every day, our organizations work to fill the gap between government services and critical community needs, creating a meaningful impact in the local economy as well as in the lives of the people we serve.

### **Solutions**

It is crucial that Alaska find new streams of revenue. Deep cuts alone to the budget will have a lasting negative impact on the Alaska economy. Cutting critical services and jobs from the budget will not benefit our community in the long run.

### **Impact of the non-profit sector on the economy**

Using standard economic indicators, the total employment in the non-profit sector is 63,000 people—or 19% of the Alaska workforce. The total impact from wages and salaries is \$2.5 billion. Our agencies offer economical solutions to our community needs. We are a good investment, with an immediate return by leveraging state dollars, resulting in stronger, healthier communities.

### **Prevention**

It may be cliché, but the old saying proves true, “An ounce of prevention is worth a pound of cure.” Unfortunately, prevention programs are generally the first to go when cutting budgets. If we invested in programs, especially those benefitting ages from birth to 5 while the brain is still developing and hard wire connections are forming, we would alleviate problems that arise later in life.

### **Behavioral Health**

In Fairbanks, there is a behavioral health care crisis. Over the last few years, Fairbanks has seen drastic cuts made to behavior health services. As it is already, people with immediate mental health needs are being turned away from services. If cuts continue to happen, behavioral health care services will be seriously impaired.

Budgeting should be value-based so our families and communities are strengthened. There are additional information and statistics that can be provided by our member agencies to prove the impact we have on the well-being and economy of our community. We would be happy to provide those resources. Again, thank you for your work on behalf of all Alaskans, but particularly our most vulnerable populations.

Sincerely, 

Brenda Riley, 2016 Board President

Arctic Alliance for People