

**From:** [Sen. Anna MacKinnon](#)  
**To:** [Senate Finance Committee](#)  
**Subject:** FW: SB207 and SB208  
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**From:** Debra LaRue [mailto:dlarue59@gmail.com]  
**Sent:** Thursday, March 31, 2016 7:25 PM  
**To:** Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; sen.pete.micciche@akleg.gov; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>  
**Cc:** governor@alaska.gov  
**Subject:** SB207 and SB208

As members of the Senate Finance Committee, you have a difficult task. Every move you make is heavily scrutinized, and citizens are divided on the proper solutions to Alaska's budget gap. It seems that now is the time to become the statesmen and stateswomen that Alaska needs. You need to find the courage to take the steps which will preserve Alaska's future instead of the steps which you feel will preserve your seats in the Senate. Please have the courage to fail SB 207 and SB 208.

Our children are the future. This statement is not a cliché. It is fact. Alaska's budget woes are falling hardest on young people and SB 207 and SB 208 make that even worse. While the Base Student allocation wasn't "cut" last year, over the past several years a variety of funding sources from the State to school districts has dried up forcing school districts to cut budgets significantly over the past several years. The attempt in SB 207 to move a portion of teacher pensions contributions from the State back to the districts is ill advised. The State passed the law to end new teacher contributions to the fund. Districts didn't make that law. The State made the commitment to handle the gap in pensions contributions when that law was passed. To turn an additional portion of that back to the districts is unfair and is worse than a shell game in that you are pretending to cut the state's budget while only transferring the cost to local populations with organized boroughs and municipalities taking the brunt of the transfer. A cut of 200 teachers in Anchorage would be needed to cover the approximately \$19 million that this will cost Anchorage each year. The significant rise in class size means our children receive fewer resources, get less individual attention, receive little to no enrichment education, and will have difficulty keeping up with their peers from other states. Do not pass SB 207.

SB 208 adds insult to injury. Governor Parnell worked exceedingly hard to make sure that the Performance Scholarship was foundation funded so that it would not be cut in hard times. The Performance Scholarship was established to keep Alaska's best and brightest in Alaska not only for college, but for their careers. Brain drain is a deadly drag on an economy, and our economy doesn't need any additional pushes toward the bottom. The University System is already required to make deep cuts. They are in discussions to remove competition in the system and move specific programs to one of the three main campuses to cut costs. This cost cutting measure will increase the cost of attendance for students not only in higher tuition because of budget cuts, but also increase the cost because more of them will have to move away from home, and--as we know too often in Alaska--increase the likelihood that students will drop out. SB 208 combined with the other cuts and changes in the University System will result in a dim future for Alaska devoid of the bright entrepreneurial spirit that has

become part of our tradition. Students who would have stayed in the state for college will now leave as costs will be comparable elsewhere and the comparable cost will be enhanced by increased opportunity. The chances of those students returning to Alaska are slim. Do not pass SB 208.

Both of these bills are short sighted and focused on the short term of saving specific jobs--the jobs of the members of Alaska's Legislature. It is time for courage in the face of adversity. Will you step up to become the next great Alaskans by voting to end these assaults on Alaska's children and future? It is the courageous who will gain the support and thanks of Alaskans.

Yes, I can do the math--something has to give. Cut capital spending on mega projects. Pass an income tax on citizens. Increase the corporate income tax. Use Permanent Fund savings account. Cap the Permanent Fund Dividend as should have been done back when Murkowski became governor. Adopt Governor Walker's plan! These moves will make significant progress in balancing the budget, and they protect the education of our children so that they can create a vibrant and thriving future for Alaska.

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