



Representative Ivy Spohnholz

Chair, House Ways and Means Committee

Co-Chair, House Labor and Commerce Committee

Serving House District 16: College Gate, Russian Jack, Nunaka Valley, & Reflection Lake

Sponsor Statement

House Bill 259 v. A

For nearly a decade, Alaska has suffered structural budget deficits that have impacted every facet of the state. In 2018, the legislature achieved great progress through the passage of the percent of market value (POMV) draw on the permanent fund's earnings, which 1) resolved two thirds of our deficit, 2) provides stable and predictable revenues to the state, and 3) caps the amount spent from the Permanent Fund annually to 5% of the Permanent Fund's total value during the first five of the last six years. As a result, our state's revenue situation has dramatically improved. However, the uncertainty of one its largest annual expenditures, dividends from the Permanent Fund (PFDs) for Alaskans, continues to hinder the fiscal health of our state, strains the legislature's ability to meet its constitutional obligations, stands in the way of many other important policy efforts, and creates fiscal uncertainty for Alaskans.

HB 259 proposes to solve this impasse by rewriting the formula for PFDs as a percentage of the POMV draw, which provides significant and growing PFDs, stable and growing funding for public education, (one of a few constitutionally mandated state funding items), and other essential government services.

This legislation splits the annual POMV draw from the Permanent Fund as follows:

- **25% to dividends**, which would produce a \$1,302 dividend in FY24 that would increase each year after that as the fund's value grows.
- **75% available in unrestricted general funds for essential government services split as follows:**
 - 50% to the public education foundation formula and pupil transportation, and;
 - 50% to general fund for funding other essential state services like public safety, road maintenance, the court system, state match for federal infrastructure funds, and more.

This designated funding stream for public education is critical because when adjusted for inflation, in FY22 the state spends \$500 less per child to educate Alaska's children than we did in FY2008. We are no longer doing more with less; we are simply doing less with less and our educational outcomes are starting to reflect that. In addition to providing predictable PFDs and stable funding for other essential state operations, the statutory split of the POMV draw proposed by this legislation ensures Alaskan schools a stable and growing fund source so we can invest our state's greatest natural resource – our kids.

Staff contact: Megan Holland, (907) 465-2696



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Sectional Analysis

House Bill 259 v. A

" An Act relating to use of income of the Alaska permanent fund; relating to the amount of the permanent fund dividend; relating to the duties of the commissioner of revenue; relating to funding for state aid for school districts, the state boarding school, centralized correspondence study, and transportation of pupils; and providing for an effective date."

Section 1: Amends AS 14.17, if the amount appropriated under section six of the bill is not sufficient to satisfy foundation formula funding for K-12 education, the remaining need may be met via appropriation by the general fund.

Section 2: Amends AS 37.13.140, to ensure the amount available for appropriation may not exceed the balance of the earnings reserve account.

Repeals the old formula for calculating permanent fund dividends.

Section 3: Amends AS 37.13.145(b), allowing appropriations from the earnings reserve account in accordance with the statutory point of market value (POMV) draw as follows: 25% to the dividend fund for distribution for PFDs and 75% to the general fund.

Of the 75% distributed to the general fund, no less than 50% may go to the public education fund for state aid to school districts to satisfy the foundation formula.

Section 4: Amends AS 37.13.145(c), clarifying that an appropriation is required to move funds from the earnings reserve account to the principal of the permanent fund for purposes of inflation proofing.

Section 5: Amends AS 37.13.145(d), stipulating that funds associated with the *Amerada Hess* settlement are not included in the calculation of the percent of market value under AS 37.13.140(b).

Section 6: Adds a new subsection providing that at least half of the portion of the POMV draw distributed to the general fund (75%), may go to the public education fund for state aid to school districts to satisfy the foundation formula.

In the case that this portion of the POMV for education exceeds the minimum amount required by the formula, the excess may be distributed directly to school districts according to the same formula.

Section 7: Amends AS 37.13.300(c), specifying that income from the mental health trust fund is not included in the calculation of the POMV under AS 37.13.140(b).

Section 8: Amends AS 37.14.031(c) to require the Alaska Permanent Fund Corporation calculate the net income of the mental health trust fund annually on the last day of the fiscal year, excluding any unrealized gains or losses.

Section 9: Amends AS 43.23.025(a), clarifying that funds must be appropriated to the dividend fund, rather than transferred as current statute provides.

Section 10: Repeals AS 37.13.145(e) and (f). These sections prohibited appropriations from the earnings reserve account to the general fund that exceed funds available for appropriation. This language was moved to AS 37.13.140 under section two of the bill by the legal drafter.

Section 11: Effective date of July 1, 2023.

HOUSE BILL NO. 259

IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES SPOHNHOLZ, Drummond

Introduced: 1/18/22

Referred: Education, House Special Committee on Ways and Means, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to use of income of the Alaska permanent fund; relating to the amount**
2 **of the permanent fund dividend; relating to the duties of the commissioner of revenue;**
3 **relating to funding for state aid for school districts, the state boarding school,**
4 **centralized correspondence study, and transportation of pupils; and providing for an**
5 **effective date."**

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 *** Section 1.** AS 14.17.300 is amended by adding a new subsection to read:

8 (c) The amount of state aid for distribution to school districts, to the state
9 boarding school, for centralized correspondence study, and for transportation of pupils
10 under (a) of this section may be appropriated by the legislature from the general fund
11 under AS 37.13.145(g). If the amount appropriated under AS 37.13.145(g) is
12 insufficient to fund the state aid as calculated under this chapter and AS 14.09.010, the
13 legislature may appropriate the outstanding amount from the general fund.

1 * **Sec. 2.** AS 37.13.140 is amended to read:

2 **Sec. 37.13.140. Income.** (a) Net income of the fund includes income of the
3 earnings reserve account established under AS 37.13.145. Net income of the fund shall
4 be computed annually as of the last day of the fiscal year in accordance with generally
5 accepted accounting principles, excluding any unrealized gains or losses. [INCOME
6 AVAILABLE FOR DISTRIBUTION EQUALS 21 PERCENT OF THE NET
7 INCOME OF THE FUND FOR THE LAST FIVE FISCAL YEARS, INCLUDING
8 THE FISCAL YEAR JUST ENDED, BUT MAY NOT EXCEED NET INCOME OF
9 THE FUND FOR THE FISCAL YEAR JUST ENDED PLUS THE BALANCE IN
10 THE EARNINGS RESERVE ACCOUNT DESCRIBED IN AS 37.13.145.]

11 (b) The corporation shall determine the amount available for appropriation
12 each year. The amount available for appropriation is five percent of the average
13 market value of the fund for the first five of the preceding six fiscal years, including
14 the fiscal year just ended, computed annually for each fiscal year in accordance with
15 generally accepted accounting principles. **The amount available for appropriation**
16 **may not exceed the balance in the earnings reserve account described in**
17 **AS 37.13.145.** In this subsection, "average market value of the fund" includes the
18 balance of the earnings reserve account established under AS 37.13.145, but does not
19 include that portion of the principal attributed to the settlement of State v. Amerada
20 Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District).

21 * **Sec. 3.** AS 37.13.145(b) is amended to read:

22 (b) **Each** [AT THE END OF EACH] fiscal year, the **legislature may**
23 **appropriate** [CORPORATION SHALL TRANSFER] from the earnings reserve
24 account to the

25 **(1)** dividend fund established under AS 43.23.045, **25** [50] percent of
26 the **amount** [INCOME] available for **appropriation** [DISTRIBUTION] under
27 **AS 37.13.140(b); and**

28 **(2)** **general fund, 75 percent of the amount available for**
29 **appropriation under AS 37.13.140(b); the legislature may further appropriate**
30 **the amount appropriated under this paragraph in accordance with (g) of this**
31 **section** [AS 37.13.140].

1 * **Sec. 4.** AS 37.13.145(c) is amended to read:

2 (c) After the **appropriations** [TRANSFER] under (b) [AND AN
3 APPROPRIATION UNDER (e)] of this section, the **legislature may appropriate**
4 [CORPORATION SHALL TRANSFER] from the earnings reserve account to the
5 principal of the fund an amount sufficient to offset the effect of inflation on the
6 principal of the fund during that fiscal year. However, none of the amount
7 **appropriated under this subsection** [TRANSFERRED] shall be applied to increase
8 the value of that portion of the principal attributed to the settlement of State v.
9 Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District) on
10 July 1, 2004. The corporation shall calculate the amount to **that may be appropriated**
11 [TRANSFER] to the principal under this subsection by

12 (1) computing the average of the monthly United States Consumer
13 Price Index for all urban consumers for each of the two previous calendar years;

14 (2) computing the percentage change between the first and second
15 calendar year average; and

16 (3) applying that rate to the value of the principal of the fund on the
17 last day of the fiscal year just ended, including that portion of the principal attributed
18 to the settlement of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court,
19 First Judicial District).

20 * **Sec. 5.** AS 37.13.145(d) is amended to read:

21 (d) Notwithstanding (b) of this section, income earned on money awarded in
22 or received as a result of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior
23 Court, First Judicial District), including settlement, summary judgment, or adjustment
24 to a royalty-in-kind contract that is tied to the outcome of this case, or interest earned
25 on the money, or on the earnings of the money shall be treated in the same manner as
26 other income of the Alaska permanent fund, except that it **may** [IS] not **be included in**
27 **the calculation of the amount** available for **appropriation under AS 37.13.140(b)**
28 **or** [DISTRIBUTION TO THE DIVIDEND FUND, FOR TRANSFERS] to the
29 principal under (c) of this section [, OR FOR AN APPROPRIATION UNDER (e) OF
30 THIS SECTION,] and shall be annually deposited into the Alaska capital income fund
31 (AS 37.05.565).

1 * **Sec. 6.** AS 37.13.145 is amended by adding a new subsection to read:

2 (g) The legislature may appropriate at least 50 percent of the amount
3 appropriated under (b)(2) of this section to the public education fund established under
4 AS 14.17.300 for state aid for distribution to school districts, to the state boarding
5 school, for centralized correspondence study, and for transportation of pupils as
6 calculated under AS 14.09.010 and AS 14.17. If the amount appropriated under this
7 subsection exceeds the amounts calculated for state aid under AS 14.09.010 and
8 AS 14.17, the legislature may appropriate the remaining amount to school districts in
9 proportion to the funding under the formulas set out in AS 14.17.

10 * **Sec. 7.** AS 37.13.300(c) is amended to read:

11 (c) Net income from the mental health trust fund may not be included in the
12 computation of net income **of the fund, the** [OR] market value **of the fund, or the**
13 **amount** available for [DISTRIBUTION OR] appropriation under **AS 37.13.140(b)**
14 [AS 37.13.140].

15 * **Sec. 8.** AS 37.14.031(c) is amended to read:

16 (c) The net income of the fund shall be determined by the Alaska Permanent
17 Fund Corporation **and shall be computed annually as of the last day of the fiscal**
18 **year in accordance with generally accepted accounting principles, excluding any**
19 **unrealized gains or losses** [IN THE SAME MANNER THE CORPORATION
20 DETERMINES THE NET INCOME OF THE ALASKA PERMANENT FUND
21 UNDER AS 37.13.140].

22 * **Sec. 9.** AS 43.23.025(a) is amended to read:

23 (a) By October 1 of each year, the commissioner shall determine the value of
24 each permanent fund dividend for that year by

25 (1) determining the total amount available for dividend payments,
26 which equals

27 (A) the amount **appropriated** [OF INCOME OF THE
28 ALASKA PERMANENT FUND TRANSFERRED] to the dividend fund
29 under AS 37.13.145(b) during the current year;

30 (B) plus the unexpended and unobligated balances of prior
31 fiscal year appropriations that lapse into the dividend fund under

1 AS 43.23.045(d);

2 (C) less the amount necessary to pay prior year dividends from
3 the dividend fund in the current year under AS 43.23.005(h), 43.23.021, and
4 43.23.055(3) and (7);

5 (D) less the amount necessary to pay dividends from the
6 dividend fund due to eligible applicants who, as determined by the department,
7 filed for a previous year's dividend by the filing deadline but who were not
8 included in a previous year's dividend computation;

9 (E) less appropriations from the dividend fund during the
10 current year, including amounts to pay costs of administering the dividend
11 program and the hold harmless provisions of AS 43.23.240;

12 (2) determining the number of individuals eligible to receive a
13 dividend payment for the current year and the number of estates and successors
14 eligible to receive a dividend payment for the current year under AS 43.23.005(h); and

15 (3) dividing the amount determined under (1) of this subsection by the
16 amount determined under (2) of this subsection.

17 * **Sec. 10.** AS 37.13.145(e) and 37.13.145(f) are repealed.

18 * **Sec. 11.** This Act takes effect July 1, 2023.

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: HB 259
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB259-PF-PFD-1-31-22
Title: PERMANENT FUND DIVIDEND; 25/75 POMV
SPLIT
Sponsor: SPOHNHOLZ
Requester: (H)EDU

Department: Permanent Fund
Appropriation: Permanent Fund Dividends
Allocation: Permanent Fund Dividend Fund
OMB Component Number: 2616

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates					
			FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous			900,000.0	952,000.0	1,004,750.0	1,064,250.0	1,086,250.0	
Total Operating	0.0	0.0	900,000.0	952,000.0	1,004,750.0	1,064,250.0	1,086,250.0	

Fund Source (Operating Only)

1041 PF ERA (UGF)			900,000.0	952,000.0	1,004,750.0	1,064,250.0	1,086,250.0
Total	0.0	0.0	900,000.0	952,000.0	1,004,750.0	1,064,250.0	1,086,250.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2022) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2023) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Initial version.

Prepared By: <u>Caroline Schultz, Policy Analyst</u>	Phone: <u>(907)465-4698</u>
Division: <u>Office of Management and Budget</u>	Date: <u>10/11/2021 03:00 PM</u>
Approved By: <u>Neil Steininger, Director</u>	Date: <u>10/11/21</u>
Agency: <u>Office of Management and Budget</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. HB259

Analysis

This legislation changes the amount calculated for the appropriation for the payment of permanent fund dividends to 25% of the 5% percent of market value (POMV) draw from the Permanent Fund under AS 37.13.140(b).

This legislation takes effect in fiscal year 2024. Under the calculation proposed by this legislation, the fiscal year 2024 appropriation for permanent fund dividends is estimated to be \$900 million, equating to an estimated dividend of \$1,338 for eligible recipients. The table below shows estimated permanent fund dividends under the proposed statutory calculation based on current Alaska Permanent Fund Corporation projections for the POMV draw.

<i>Dollars in millions</i>	FY24	FY25	FY26	FY27	FY28
POMV Draw	3,600	3,808	4,019	4,257	4,345
25% for PFD	900	952	1,005	1,064	1,086
PFD/Recipient (<i>dollars</i>)	\$1,338	\$1,409	\$1,481	\$1,563	\$1,587

This legislation also authorizes the legislature to appropriation half of the remaining 75 percent of the POMV draw to the public education fund for the purpose of funding K12 education.

HB 259

Update Permanent Fund funding for *Dividends, Education and other Essential State Services*

Rep. Ivy Spohnholz
Chair, House Ways and Means Committee

Impacts of unstable education funding

Alaska education funding dispute sees pink slips, profound concern in rural schools

Kenny Knutson / KTUU (KTUU)

By Sean Maguire

Published: Jun. 5, 2019 at 7:35 PM AKDT

220 Anchorage teachers receive layoff notices

By Josh Edge, APRN - Anchorage - May 25, 2017



JimBob Aybear
@AybearJimbob

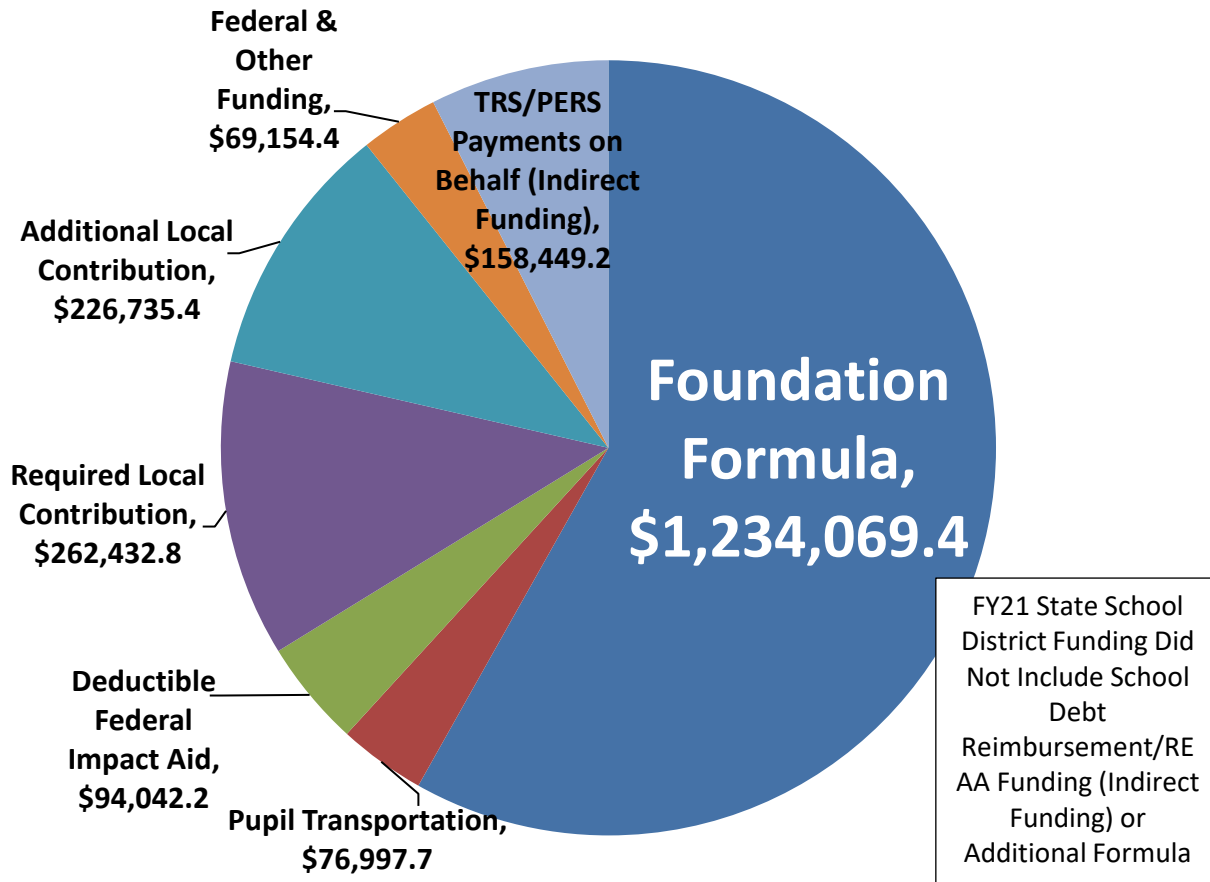
Soooo long AK. Hate to leave you, especially like this. Driving out of a state that is literally and figuratively on 🔥🔥🔥 Wish you all the best. ☮️
[#akleg](#) [#Override](#) [#OverrideTheVetoes](#)



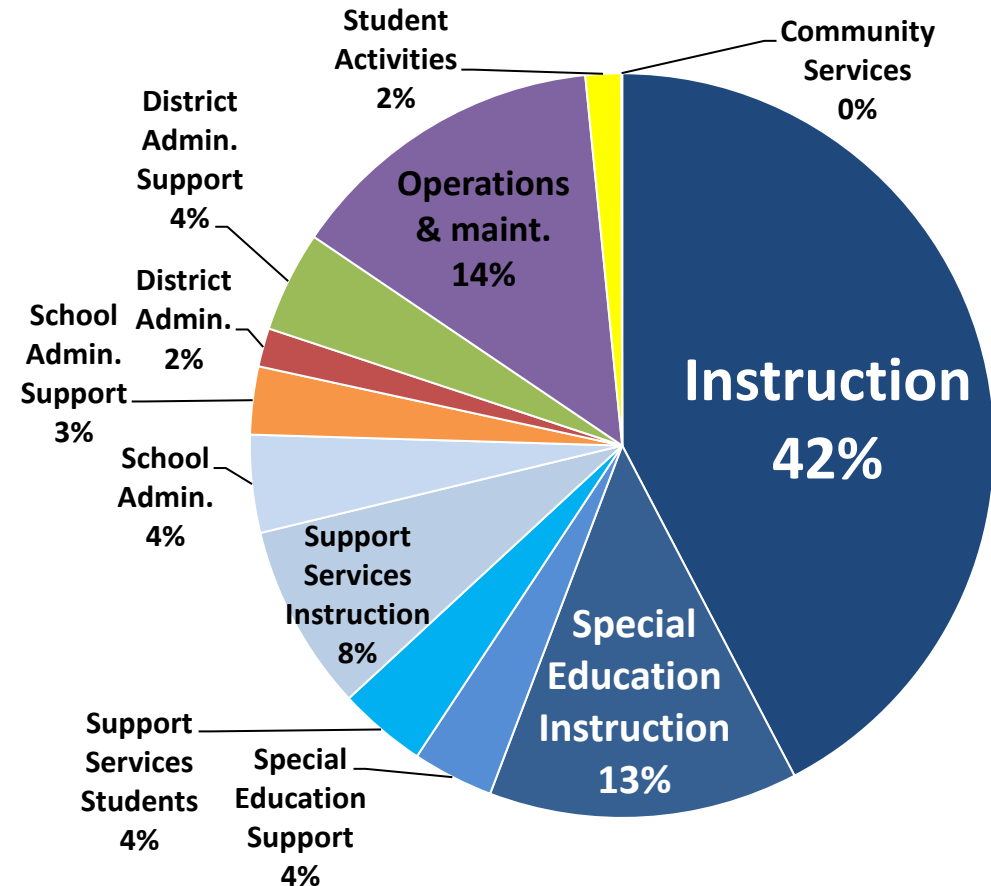
6:46 AM · Jul 12, 2019 · Twitter Web App

What is foundation formula funding used for?

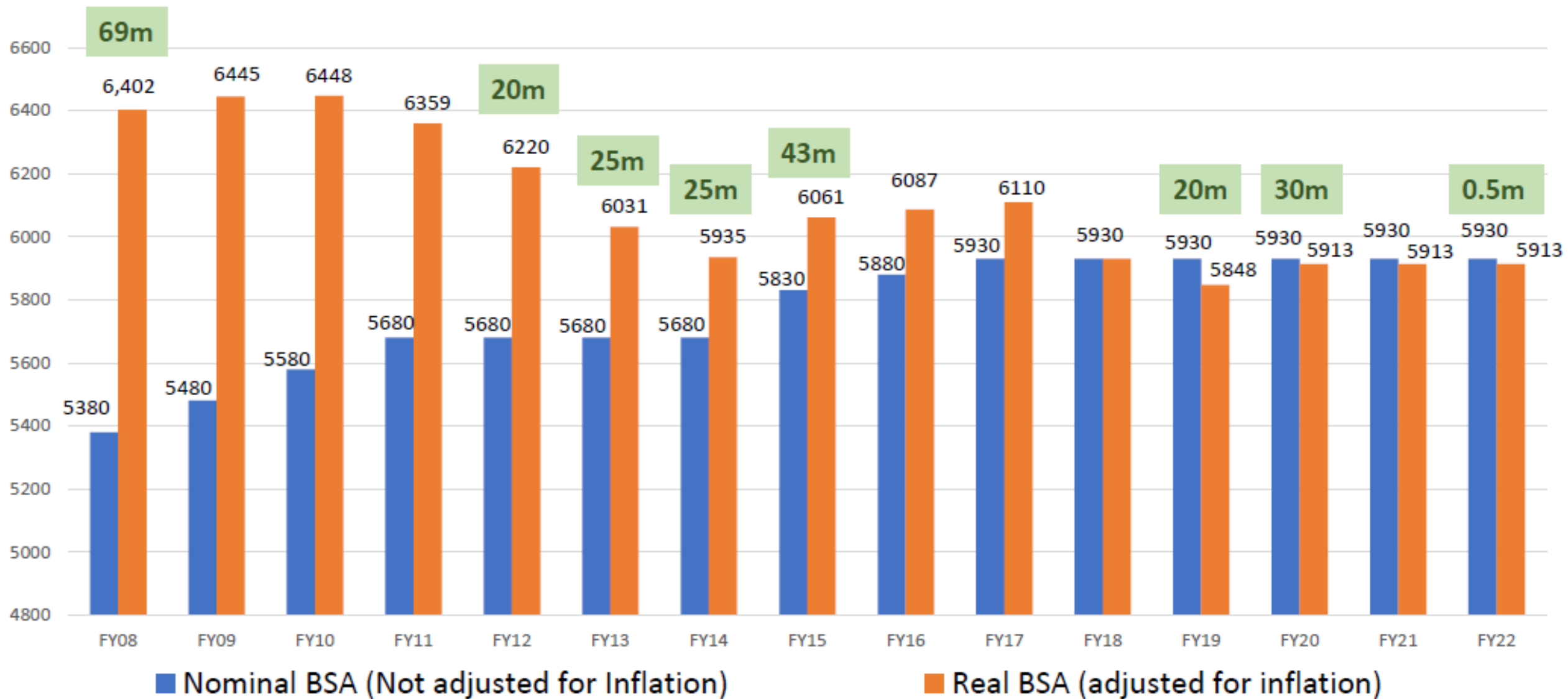
FY21 State and Local Funding for School Districts



FY 21 School District Expenditure Budget by Category



Value of Base Student Allocation (BSA), Appropriations Outside Foundation Formula Funding

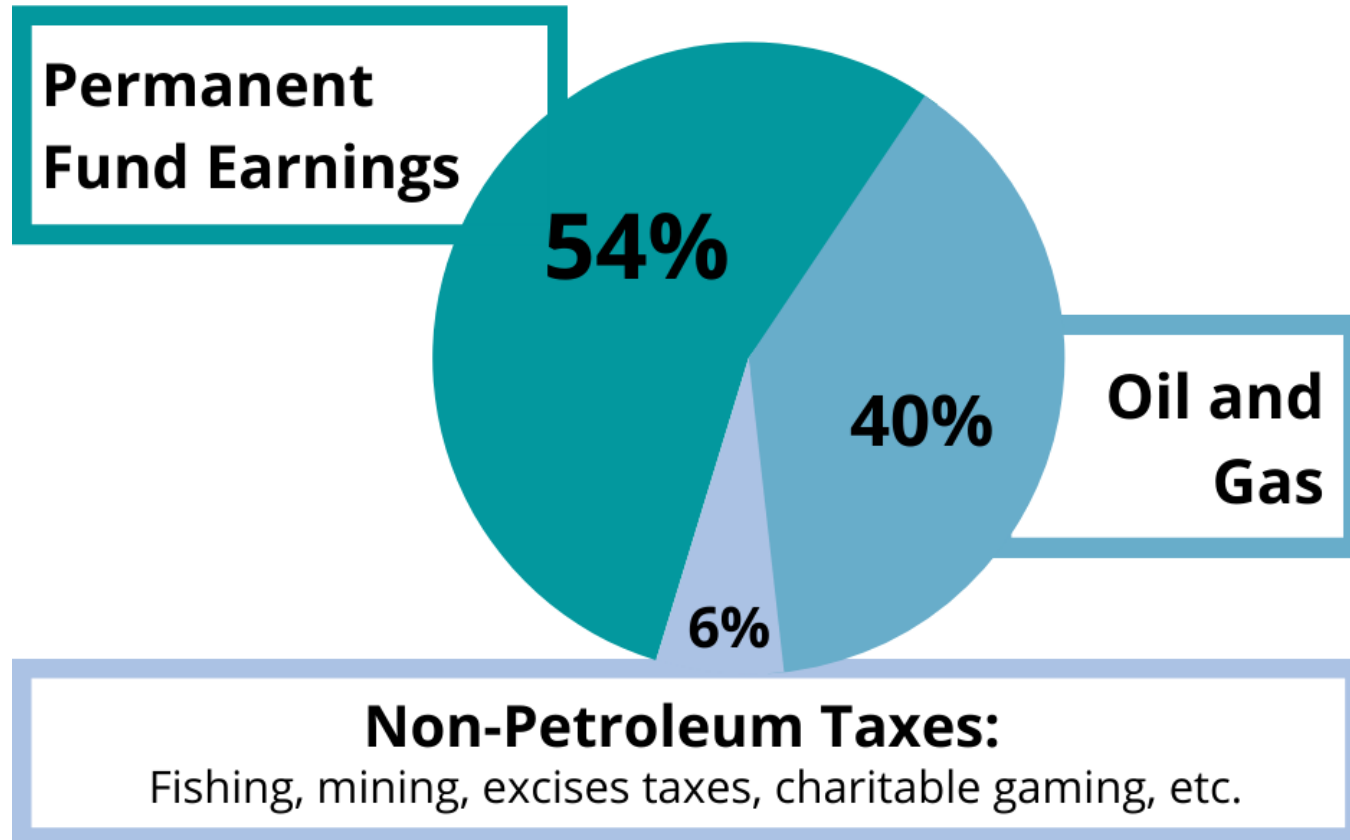


*Legislature made ad hoc additional appropriation outside the formula

*Rounded to the nearest million

Why fund public education through the Permanent Fund?

FY 22 UGF Revenue Forecast

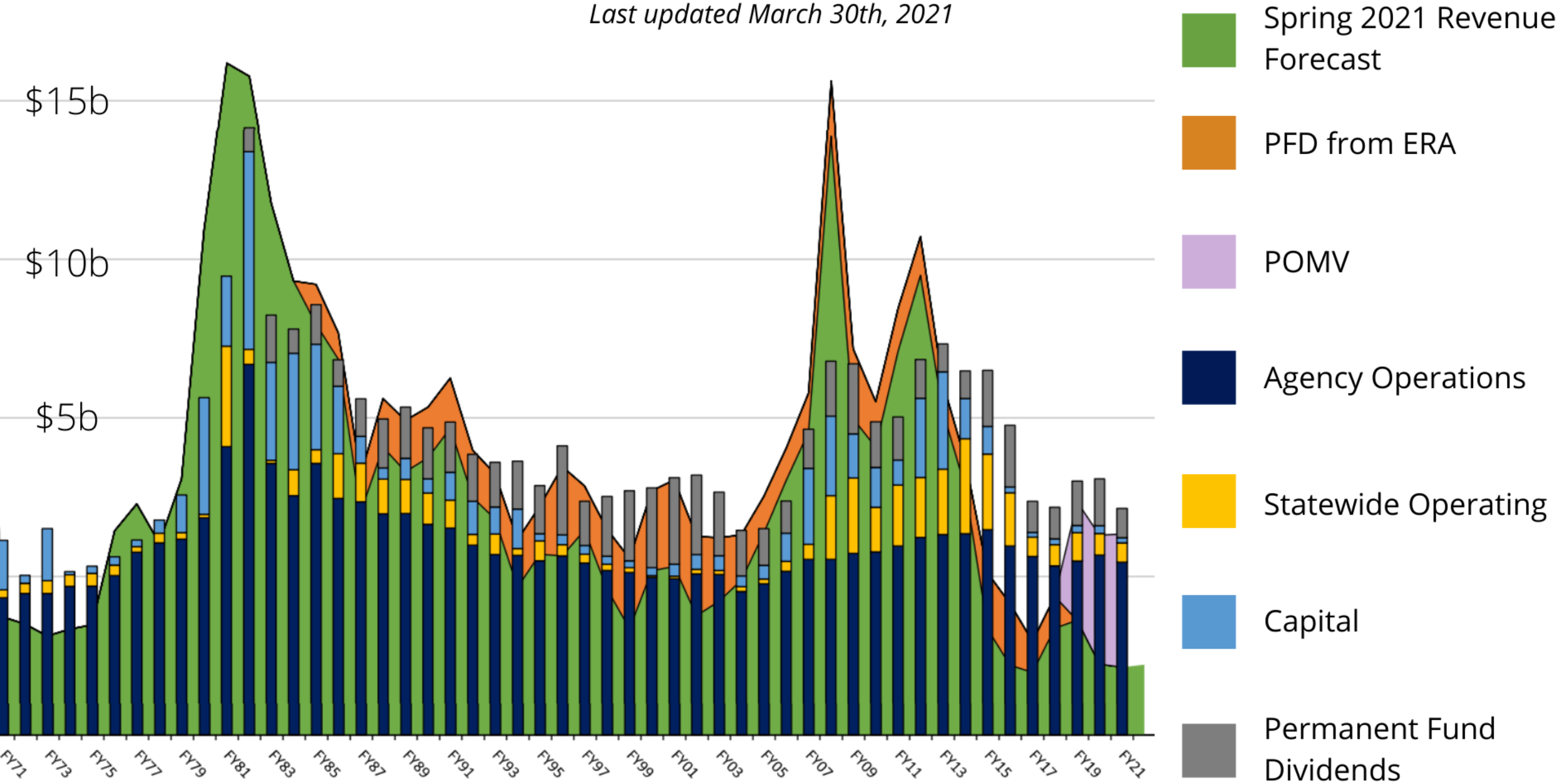


“The legislature shall by general law establish and maintain a system of public schools open to all children of the state...”

▶ Art. 7, Sec. 1, Alaska State Constitution

Real Per Capita Unrestricted General Fund Revenue/Budget History

Last updated March 30th, 2021



Impact of Various Dividend Formulas to Alaska's budget*

Surplus/ (Deficit)	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Surplus Before PFD	1,281.8	1,317.0	1,462.8	1,686.6	1,836.0	1,852.3	1,799.5	1,885.6	2,005.2
25% of POMV to PFD	441.7	417.0	511.0	681.8	771.7	766.0	692.3	758.6	859.4
33% of POMV to PFD	172.9	129.0	206.4	360.3	431.1	418.4	338.0	398.0	492.7
50% of POMV to PFD	(398.4)	(483.0)	(440.9)	(322.9)	(294.3)	(325.3)	(424.8)	(384.8)	(311.8)

*Assumes LFD's baseline budget based on DOR's Fall 2021 Forecast

HB 259: Rewrites the Dividend Formula and Creates a Stable and Growing Dividend for Alaskans

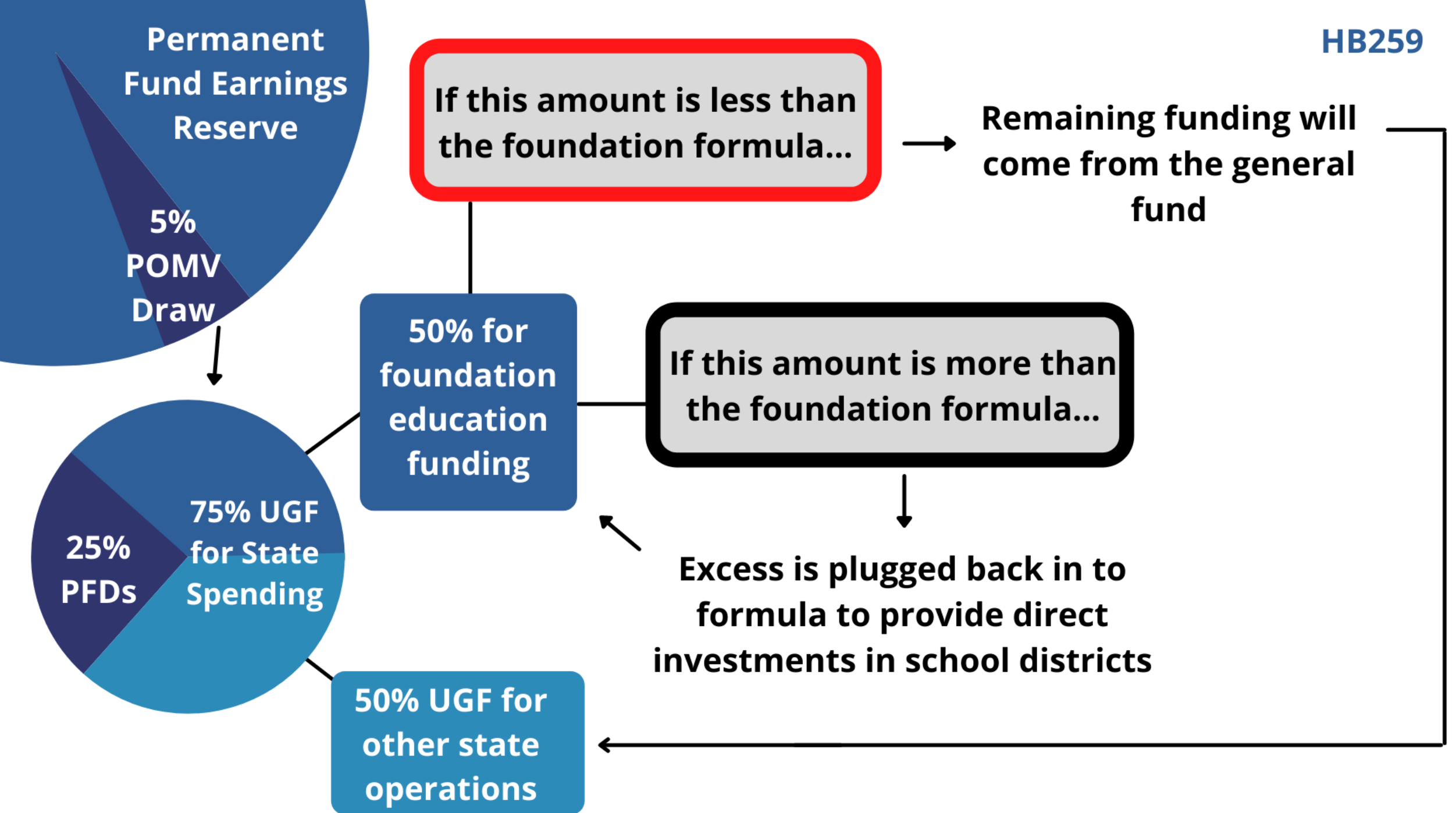
The 5% Percent of Market Draw from the Permanent Fund will be split as follows:

- 25% to dividends, producing a \$1,301 dividend in FY24.
- 75% UGF available for essential government services
 - 50%* to the public education fund for foundation formula and pupil transportation
 - 50% to general fund

If the percentage allocated to education does not fully fund the foundation formula, the remaining need will be met with UGF

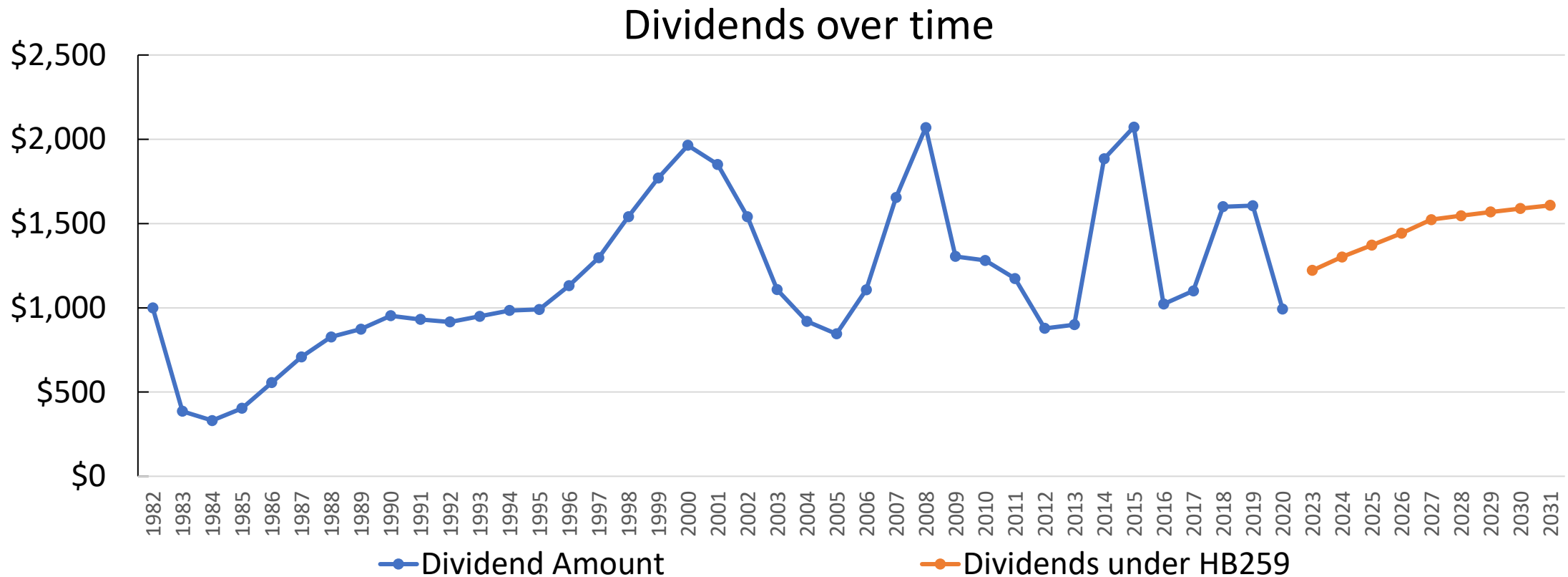
If the percentage allocated to education exceeds the amount required by the foundation formula, the excess will be distributed directly to school districts according to the foundation formula.

* Effective rate is 38% of total draw



Predictable, growing dividends for Alaskans

HB 259 PFD	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
	\$1,302	\$1,371	\$1,442	\$1,523	\$1,546	\$1,568	\$1,589	\$1,608



HB 259 creates a stable, growing fund source for Alaska's schools

(\$millions)	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
POMV Draw*	3,600.0	3,807.5	4,018.9	4,257.1	4,345.1	4,428.9	4,507.9	4,583.3
Statutory Minimum Foundation Funding**	1,239.4	1,264.2	1,289.4	1,315.2	1,341.5	1,368.4	1,395.7	1,423.7
HB 259 funds for Foundation/Pupil Transportation	1,350.0	1,427.8	1,507.1	1,596.4	1,629.4	1,660.8	1,690.5	1,718.7
Additional Education Funding beyond Statutory Minimum	110.6	163.7	217.6	281.2	287.9	292.5	294.7	295.1
Plan Surplus/(Deficit) for Other Essential Government Services	306.4	347.3	464.2	490.5	478.1	399.8	463.9	564.3

Prepared by the Division of Legislative Finance

*POMV projected to increase at a rate greater than inflation

**Assumes baseline budget grow with 2% inflation. Does not attempt to account for potential changes to enrollment

Questions?



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,

Tom Klaameyer, President, NEA-Alaska

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www.neaalaska.org



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:

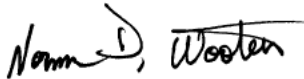
- **Belief Statement #B.7 EDUCATIONAL PROGRAMS AND FUNDING AS TOP PRIORITY,**
- **Resolution #2.1 SUSTAINED, RELIABLE AND ADEQUATE STATE FISCAL PLAN AND EDUCATIONAL FUNDING FOR ALASKA'S STUDENTS THROUGH A NON-VOLATILE FUNDING SOURCE**
- **Resolution #2.2 URGING EARLY, ADEQUATE, EQUITABLE, AND PREDICTABLE 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. It seems as if the cost for everything has increased. About the only thing that hasn't 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.

A handwritten signature in black ink that reads "Norman D. Wooten". The signature is written in a cursive style with a large, stylized 'D' and a long horizontal stroke at the end.

Norman D, Wooten