

February 16, 2022

Dear members of the House Ways and Means Committee,

Predictable, proactive funding is one of the Anchorage School Board's top legislative priorities this year. As a member of the Board, this letter reflects my personal support for HB 259, which offers predictability and the prospect of additional education funding beyond the statutory minimum to students, families, and communities across Alaska. It achieves predictability by directing a dedicated portion of the POMV from the Permanent Fund, which has a more predictable and stable rate of return than other forms of state revenue, toward school districts, centralized correspondence, and pupil transportation. Although some may question the dedication of a state funding stream entirely to education when the Alaska State Legislature confronts many competing interests on an annual basis, the State of Alaska has a Constitutional obligation to adequately fund and maintain education.

Since FY 2017, the Anchorage School District has dealt with an unadjusted BSA—coupled with multiple inflationary drivers and decreased student enrollment—by relying on efficiencies, new revenues, the fund balance, and doses of one-time funding.

Here's an overview of what ASD has done to live within its means since FY 17. Please note that "PTR" is a budget staffing formula standing for Pupil to Teacher Ratio. It creates a baseline to establish the total number of teachers allocated per school. "FTE" stands for Full Time Equivalent staff.

- *Efficiencies:*
 - Since FY 2017, ASD has closed two schools (Mt. Iliamna and Mt. Spurr), combined several programs (Crossroads, AVAIL, PAIDEA), merged two schools into one facility (King Tech High School and Alaska Middle College School), and reduced staff to achieve balanced budgets.
 - General Fund FTE for Instruction has dropped from 2,441.18 in FY 19 to a projected 1,751.87 for FY 23, a 28.2% decrease.
- *New Revenues:*
 - ASD has increased both revenue and educational opportunities c/o the Alaska Middle College School and a CTE-focused partnership with the Lower Yukon School District.
- *ASD has also made ends meet by relying on:*
 - A portion of the fund balance in every fiscal year between FY 2017 and FY 2021.
 - One-time funds from the State in FY 19 and FY 20.
 - Roughly \$12 million in Federal relief funds to pay for Health Teachers, information technology, and summer school in FY 21.
 - Nearly \$29 million in federal relief funds to retain PTR at pre-pandemic levels for FY 22, at levels ranging from 21 in Kindergarten and 25 in third grade to 30.25 in grades 9-12. *Without those Federal Relief dollars, PTR would have increased by 4 across every grade level during this recovery-focused academic year such that*

ASD would have had PTRs of 25 for Kindergarten, 29 for third grade, and 34.25 for high school students.

As we look ahead, the Anchorage School Board is currently assessing a FY 23 budget that reflects another year of an unchanged BSA even as inflationary drivers increase, as we aim for substantial catch-up growth with respect to student reading and math proficiency, and as we face an unprecedented crisis of educator turnover and retention in Anchorage and across the nation.

Overall, ASD will use \$78 million in Elementary and Secondary School Emergency Relief (ESSER III) funds in FY 23 to assist in efforts to keep schools open, maintain class sizes, and recover from impacts of the Covid-19 pandemic. This includes:

- Allocating over \$56.5 million dollars of ESSER III funds to offset *what would otherwise be a PTR increase of 10 across all grade levels* in our neighborhood schools. In other words, without relief funding, we would be looking at a PTR of 31 for Kindergarten, 35 for third grade, and 40.25 for grades 9-12 next year.
- An overall reduction of 60.9 FTE, to correspond to declining enrollment, for a savings of \$7.1 million. This includes losses of 18 teacher FTE at middle schools and 46.5 teacher FTE at elementary schools, paired with a slight increase of 3.4 FTE for high school teachers.
- Although ASD is budgeting nearly \$153 million for Special Education, English Language Learners, Gifted students and Career and Technical Education in our FY 23 budget, we project a deficit of more than \$13 million when it comes to what we actually receive for those items from the Foundation Formula and its adjustments. Addressing that deficit will require taking money from other key areas (or temporary relief funds), or underfunding these crucial functions.

Although ASD has gone to great lengths to live within its means and produce balanced budgets, it has not been adequately or predictably funded for some time. Indeed, a 2016 executive summary of the Evidence Based model, which looked at staffing ratios, found that ASD was only able to staff its schools at 70% of what the model suggested.¹

Without state-level changes to the way education is funded, ASD's most recent ProForma budget projects a \$67 million shortfall in FY 25, once the last of our Federal Funds has been spent and current hold harmless provisions sunset. Although we could cut our way to a balanced budget, doing so will undoubtedly (and dramatically) increase our PTR. If we know that every increase of the PTR by 1, across all grade levels, saves more than \$7 million, we can reason that if ASD chooses to do this ten times over to balance the budget, we will actively undermine our prospects for attaining the improved student outcomes we seek.

¹ See ASD Memorandum #223, April 4, 2016.

[https://go.boarddocs.com/ak/asdk12/board.nsf/files/A8PTHE71FBF4/\\$file/M223_Evidence%20Based%20Staffing%20Model%20Executive%20Summary%20with%20Attachments.pdf](https://go.boarddocs.com/ak/asdk12/board.nsf/files/A8PTHE71FBF4/$file/M223_Evidence%20Based%20Staffing%20Model%20Executive%20Summary%20with%20Attachments.pdf)

HB 259, however, would change ASD's reliance on unpredictably-funded and inadequate PTR by offering predictable, proactive funding that addresses the State of Alaska's Constitutional obligations to fund and maintain education. This bill helps adequately fund education by creating a statutory framework for education to coexist with the PFD. Over time, it is predicted that the new framework would generate additional funds for education. By removing the question of how the state funds education, and by providing a way to direct additional funding beyond the BSA to districts over time, the bill stands to benefit students, teachers, families, and community members in Anchorage and across the state.

Thank you for supporting HB 259.

Sincerely,
Kelly Lessens
Anchorage School Board

From: [Annette Kittleson](#)
To: [Rep. Ivy Spohnholz](#)
Subject: Education support
Date: Wednesday, February 16, 2022 1:36:35 PM

It is unacceptable to have so many children per class/teacher. As a former teacher I can attest to losing teachers under those conditions.

Thanks, Ivy, for doing a great job supporting education!!

Annette Kittleson

Your old neighbor up on Alpine Dr.

Sent from my iPhone

From: [Don May](#)
To: [Rep. Ivy Spohnholz](#); [Rep. Adam Wool](#); [Rep. Andy Josephson](#); [Rep. Calvin Schrage](#); [Rep. Andi Story](#); [Rep. Mike Prax](#); [Rep. David Eastman](#)
Subject: HB 259 re split of pomv
Date: Thursday, February 17, 2022 12:11:40 AM

Please support this important and fiscally responsible bill. It is a rational approach to sustaining a good level of PFD's while also providing important funding to the constitutionally mandated functions of Alaskan government.

We must all pull together to keep Alaska as the land of promise that it was when I came here in 1970.

Don May
6100 Azalea Drive
Anchorage, AK 99516

From: aktomn@gci.net
To: [Rep. Ivy Spohnholz](#)
Subject: HB 259
Date: Wednesday, February 16, 2022 2:22:34 PM

This is a bill that should be passed; it's been needed for years. I visited a few of my grandson's 10th grade classes 4 or 5 years ago. As a retired teacher, I was shocked at the size of the classes compared to the 90's when I retired. And in view of the damage Governor Dunleavy has done to public education at all levels, our state is in dire need of some semi-sufficient funding. Furthermore, expecting a school board or any public body, to prepare a budget without advance knowledge of funding levels is just idiocy. Our state's education funding really needs some continuity.

And anybody who has lived in Alaska any length of time knows why the pfd level needs to be set - and at a realistic level. The constant battle between the socialists (who want the state to give them money) and others who want the state to use more money for the general public welfare, is an ugly thing to see year after year.

Tom Nelson
Anchorage 99507

From: [Kevin Klott](#)
To: [Rep. Ivy Spohnholz](#)
Subject: HB 259
Date: Wednesday, February 16, 2022 9:14:04 PM

Hello Ivy,

My name is Kevin Klott and I am a 7th-grade language arts teacher at Goldenview Middle School in Anchorage. I am writing in support of HB 259 and more funding for education.

At Goldenview, we are budgeted to lose five full-time teaching positions. Two will be absorbed with attrition but three will be teachers who expect to return next year. If this actually happens, it would be devastating to those teachers and their families. It would also be a crushing blow to a school that employed 45 full-time teachers when I started in 2014 and is now down to 30.

Thank you for all the work you do for our state, especially in the area of education. We need more legislators like you — and more educators, not fewer.

Thank you,
Kevin Klott

From: [Diana Lingle](#)
To: [Rep. Ivy Spohnholz](#)
Subject: HB259
Date: Thursday, February 17, 2022 7:25:36 AM

The education of Alaskan children should be a top priority of this state, yet funding of public education has been slashed repeatedly over the past years. That is inexcusable. Please support HB259 and reverse this appalling trend.

Diana Lingle
PO Box 395
Ester, AK 99725
907-322-0967

From: [Arthur Harmon](#)
To: [Rep. Ivy Spohnholz](#)
Subject: HB259
Date: Thursday, February 17, 2022 6:54:13 AM

Our children are our future! Thank you for supporting HB259 to fund education!

Sent from my iPhone

From: [Wendy Robbins](#)
To: [Rep. Ivy Spohnholz](#)
Subject: HB259
Date: Wednesday, February 16, 2022 10:52:24 PM

Representative Spohnholz:

I am in favor of HB259.

Fiscal stability is imperative for a functioning state government.

Having a known PFD/government services split will allow families to better manage their finances.

I wholeheartedly support a stable and growing designated fund source to support education. Alaska needs and deserves an educated population. Businesses need educated employees! Having a strong education system will encourage businesses to operate in Alaska and college graduates to remain in-state.

HB259 appears to be a good step toward creating a sustainable financial plan for Alaska!

Thank you.

Wendy Robbins

Sent from my iPhone

From: [Robert Auer](#)
To: [Rep. Ivy Spohnholz](#)
Subject: HB259
Date: Wednesday, February 16, 2022 2:40:36 PM

This is Robert Auer I am a resident of East Anchorage, I have two school-age children, one with special needs. I'm graduate of Dimond high school I believe we need to do something with the funding for schools. It seems like every year the teachers are without a contract or there is something in the news about schools needing funding. It seems to me that this bill will fix the problem with that.

Thank you,
Robert Auer

From: [Amy Lujan](#)
To: [House Ways and Means](#)
Cc: [Sen. Jesse Kiehl](#); [Rep. Sara Hannan](#); [Rep. Andi Story](#)
Subject: HB259
Date: Wednesday, February 16, 2022 2:27:32 PM

Legislators,

Thank you for your time and attention to this bill. I am hopeful that after quite a bit of discussion over the past year in the House Ways and Means Committee, the Comprehensive Fiscal Plan Working Group and in many other venues I'm sure, we may finally break the logjam to formulate a fiscal plan for our state and to settle on a workable formula for the PFD.

As many of you know, I've been involved with K-12 advocacy for nearly thirty years. However, I'm now retired and representing only myself, as a concerned citizen of Alaska.

Here's what I've observed over the years, relevant to this discussion:

- 1) Strong, general support for K-12, but a lack of willingness to provide enough funding to provide adequate resources! Most recent examples: lack of increase to the BSA since FY07 (HB 272; HB 273); struggle to pass the reading bill (SB8, HB164)
- 2) The can is constantly kicked down the road, when policy makers are saved from making hard choices. Usually, it's oil prices that have saved us; this year, it's federal money.
- 3) Inability to resolve long-term funding issues. The POMV law was a good step, but the conflicting statutes involving the dividend were never cleaned up, and this issue has become a thorn in the side of legislators wanting to move forward toward a sensible fiscal plan.

HB259 seems to be a step in the right direction. Since K-12 is one of the only constitutionally-mandated programs the legislature must fund, it makes sense to allocate a consistent funding stream to K-12. This will provide greater certainty for K-12 leaders to plan, which will yield better results! It's not rocket science.

Furthermore, a dedicated funding stream to dividends will provide a consistent formula, like we had in the past. It will be essential that associated statutes are revised as well.

In the long term, the Permanent Fund can be Alaska's next renewable resource, supporting our state for years to come. I encourage all legislators to support this bill, so that we can move toward that future.

Amy Lujan
Juneau

From: [Kelly Auer](#)
To: [Rep. Ivy Spohnholz](#)
Subject: HB259
Date: Wednesday, February 16, 2022 2:11:04 PM

Good afternoon -

I am an East Anchorage resident and I fully support finding a sustainable way to fund our schools. Alaska schools have been flat-funded for far too long and, despite stretching every nickel, are still in financial crisis. Using part of the permanent fund earnings each year to fund education is sustainable, responsible, and prioritizes our children, who are the future of our state. Thank you for your work to find solutions to the tough fiscal problems facing Alaska!

Sincerely,
Kelly Auer

From: [b farris](#)
To: [Rep. Ivy Spohnholz](#)
Subject: HB259
Date: Thursday, February 17, 2022 9:01:17 AM

Good morning,

I am writing in support of HP 259.

Education is crucial to the future of our children and of our democracy. We cannot shortchange our children and their futures by being stingy with funding now.

Best wishes,
Barbara Farris

From: [Shane Inch](#)
To: [Rep. Ivy Spohnholz](#)
Subject: House Bill 259
Date: Wednesday, February 16, 2022 9:45:29 PM

Please keep supporting this bill. Part of my reason for retiring early as an administrator was the difficulty of finding and keeping teachers and support staff. This coupled with a lack of funding for things such as keeping buildings repaired are not only a challenge but unfair to children. Education must have reliable and consistent funding!

Thanks for fighting the fight!

Shane Inch
C (907) 382-4774

From: [Connie Markis](#)
To: [Rep. Ivy Spohnholz](#)
Subject: I support HB 259
Date: Wednesday, February 16, 2022 3:48:40 PM

Dear Representative Ivy,

Given the unfortunate financial circumstances our schools all across Alaska are having with the closing of schools, need for quality positions and giving an environment that allows for effective learning, I think having a stable and growing designated fund source for public education is a great idea. Our children's education is one of the first building blocks for a thriving and successful Alaska. I'm in favor of this 75/25 split of the PMOV draw with designated funding for K-12 education.

Thank you,
Connie Markis
Anchorage, Alaska

From: [Summer Koester](#)
To: [Rep. Ivy Spohnholz](#)
Subject: in support of education funding
Date: Wednesday, February 16, 2022 12:36:21 PM

Hi, I just wanted to email my support for HB 259 on education spending. Please forward my support to the powers that be so we can pass K-12 education funding!

Thanks,

Summer Koester
17408 Christine Ave
Juneau, AK 99801

Summer Koester | Writer
summerkoester.com
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From: [Deborah Ward](#)
To: [Rep. Ivy Spohnholz](#); [Rep. Ivy Spohnholz](#)
Subject: Public Education Funding
Date: Wednesday, February 16, 2022 1:36:06 PM

Dear Representative Spohnholz -

I am writing to you as a retired school psychologist who served rural and urban schools in Alaska for 38 years. Having experienced the highs and lows in the quality of education in our state, I fully support a designated funding source for public education. Alaska's children, particularly in rural regions and Title I schools need and deserve top notch educators. Special needs children are especially vulnerable, as there are national shortages of special education teachers and related service providers such as speech pathologists, occupational/physical therapists and school psychologists. Repeated budget cuts have taken a toll on Alaskan schools and on our ability to educate and prepare students for the future. Public education is the best vehicle to provide free and appropriate education for ALL children. It is shameful that the wealthiest state in the USA has abandoned its children. Teaching has never been more challenging than it is today. Alaska is no longer competitive with other states in salaries and retirement benefits, and these factors are contributing to difficulties in attracting and retaining the best and the brightest teachers. Thank you for sponsoring legislation that will promote sound educational practices in Alaska by providing a stable, predictable funding source for public schools.

Sincerely,
Deborah Ward, Ed.S., NCSP

From: [Whitney J Neibaur](#)
To: [Rep. Ivy Spohnholz](#)
Subject: Support for HB 259
Date: Wednesday, February 16, 2022 5:22:40 PM

As a lifelong Alaskan now raising my own children here, the drastic cut in education funding has me deeply concerned for the futures of my three children currently enrolled in Fairbanks schools. I personally benefitted from a good education in the 90s and to see the support for our teachers and school districts getting reduced and cut back year after year worries me that we will have to look at going out of state to ensure our children's educational futures with the options they would like to make school enjoyable and challenging. All three of my students love their music programs, often that being the motivating force getting them out the door in the morning. They have all had excellent teachers, but simultaneously have watched the departure of fantastic teachers in the wake of diminishing support. The face of unprecedented challenges. Any bill that propels up our educational system and helps our students succeed and further the future of Alaska should be supported as soon as possible.

Whitney Neibaur

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From: [Arthur Peterson](#)
To: [Rep. Ivy Spohnholz](#)
Subject: Support for HB 259
Date: Thursday, February 17, 2022 12:28:42 AM

Hi Ivy, et al.,

As a 55-year Alaskan, I want to express my support for HB 259. We surely do not want to have Alaska be a pathetic collection of uneducated or poorly educated people. Further cuts of education funding would be disastrous for the state.

I am currently out of the country, and cannot testify in person.

Art Peterson

,

From: [Sophia Armstrong](#)
To: [Rep. Ivy Spohnholz](#)
Subject: Support for HB259
Date: Wednesday, February 16, 2022 4:33:08 PM

To Whom it may concern,

I am an elementary teacher in Haines, Alaska. I was educated within the Anchorage School District and the local universities. We have some fabulous school districts in our state, but we can't run on fumes. Good teachers give more than expected, try harder than is reasonable, and care more than one could imagine. Yet we are supported less and less when it comes to the BSA. If you want the best teachers to come to Alaska, and stay in Alaska, they must feel supported. Please pass HB259 to solidify our school funding and send the message that the education of our students is fundamental to our state's health and growth. Thank you.

--

Sophia Armstrong
1st Grade Teacher
Haines Elementary School
(907) 766-6707
"Empowering Excellence Everyday"

From: [Eduardo Wilner](#)
To: [Rep. Ivy Spohnholz](#)
Subject: support for HB259
Date: Wednesday, February 16, 2022 1:43:39 PM

Please defend our duty to a future where Alaskans are fully educated. Even those interested only in cash rewards should know that the surest way to reduce them in the future is cutting our education.

Thank you!

Eduardo Wilner
(907) 388-4620

From: [Brooke Itter](#)
To: [Rep. Ivy Spohnholz](#)
Subject: Support HB259
Date: Wednesday, February 16, 2022 3:45:55 PM

It's imperative that our schools have proper funding if we want our children to receive the education they all deserve.

Brooke Itter
Alaskan, parent, and public educator

From: [Douglas Hope](#)
To: [Rep. Ivy Spohnholz](#)
Subject: SUPPORT
Date: Thursday, February 17, 2022 8:33:48 AM

I support HB 259 and universal pre-K for the Alaska School System

Douglas Hope
5810 Perry Drive
Anchorage AK
99504