

HB 392 – Alaska Education Funding

HOUSE RESOURCES COMMITTEE BILL

OFFICE OF REPRESENTATIVE TOM MCKAY

Alaska Education System

- ▶ Alaska currently & historically has lagged behind in education outcomes
- ▶ Education more important now than ever as low-skilled jobs are increasingly being eliminated, a trend that will be exacerbated in coming years
- ▶ Solution can't be just based on BSA increase; Alaskan's deserve more inventive and pragmatic solutions
- ▶ The legislature has time for another shot at an education funding bill in the current session and our students need it

Base Student Allocation (BSA)

- ▶ Rampant inflation in recent years justifies a significant BSA increase to allow districts security when crafting budgets
- ▶ Continued reliance on one-time spending outside of the formula works but isn't the best solution
- ▶ HB 392 proposes a \$680 increase to BSA from \$5,960 to \$6,640

Public Charter Schools

- ▶ Public charter schools represent “public-school choice”
- ▶ Alaska charter schools recently ranked 1st in the nation in by the Program on Education Policy and Governance (PEPG) at Harvard
- ▶ Alaska charter school performance: 32.1% of a standard deviation higher than the national average in reading and math
- ▶ HB 392 introduces a new pathway for state-approved charter schools and charter school termination appeals, & introduces a state charter school coordinator position

Correspondence Programs

- ▶ Correspondence students currently only funded at 0.9 of average daily membership (ADM) for calculation of adjusted ADM
- ▶ Example: if a district has 10 correspondence students, ($10 \times 0.9 = 9$), only 9 students would be added to the adjusted ADM before being multiplied by the BSA
- ▶ HB 392 ver. 1 increases factor from 0.9 to the special needs factor of 1.2

Alaska Reads Act Funding

- ▶ Alaska Reads Act signed by Governor Dunleavy in June 2022
- ▶ Focused on advancing reading levels for students in kindergarten through 3rd grade
- ▶ Labeled “unfunded mandate” by many due to lack of specified funds in statute
- ▶ HB 392 provides \$180 in funds for all K-3 students to support the reads act with an additional \$100 for all K-3 students in Title 1 schools.

Transportation of Students Funding

- ▶ Transportation funds (AS 14.09.010(a)) only applied to public school students
- ▶ Last increase to transportation funding was FY2013
- ▶ HB 392 represents a roughly 18% increase for transportation funding

HB 392 Sectional Analysis ver. 1

- ▶ Sec. 1: Adds a new section, 13.03.254, which allows the state board of education to authorize charter schools
- ▶ Sec. 2: Adds a new section allowing charter schools to appeal to the commissioner of DEED if their contract is terminated by a local school board
- ▶ Sec. 3: Adds a new section under 14.03.277 establishing a charter school coordinator position with the department
- ▶ Sec. 4: Amends AS 14.07.165(a) to require the state board of education to adopt regulations regarding the authorization of charter schools
- ▶ Sec. 5: Repeals previous 14.09.010(a) (Transportation of students) and replaces with updated 14.09.010(a) that reflects increased transportation funding

HB 392 Sectional Analysis ver. 1

- ▶ Sec. 6: Amends AS 14.17.430 to increase adjusted ADM factor for correspondence students from 0.9 to the special needs factor of 1.2
- ▶ Sec. 7: Increases BSA by \$680 to a total of \$6,640
- ▶ Sec. 8: Adds new section which mandates state provide \$180 for each K-3 student to support reading improvement plans with an additional \$100 for students in Title 1 schools
- ▶ Sec. 9: Provides for an effective date of July 1, 2024