

**ALASKA STATE LEGISLATURE  
HOUSE SPECIAL COMMITTEE ON EDUCATION**

January 27, 2005

11:03 a.m.

**MEMBERS PRESENT**

Representative Mark Neuman, Chair  
Representative Bob Lynn  
Representative Bill Thomas  
Representative Peggy Wilson  
Representative Les Gara  
Representative Woodie Salmon

**MEMBERS ABSENT**

Representative Carl Gatto

**COMMITTEE CALENDAR**

OVERVIEW

HOUSE BILL NO. 73

"An Act increasing the base student allocation for state financing of public schools; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 1

"An Act relating to the base student allocation used in the formula for state funding of public education; and providing for an effective date."

- HEARD AND HELD

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 18

"An Act increasing the base student allocation used in the formula for state funding of public education; and providing for an effective date."

- HEARD AND HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 73

SHORT TITLE: INCREASE AMT OF BASE STUDENT ALLOCATION

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/18/05 (H) READ THE FIRST TIME - REFERRALS  
01/18/05 (H) EDU, HES, FIN  
01/27/05 (H) EDU AT 11:00 AM CAPITOL 106

BILL: HB 1

SHORT TITLE: INCREASE AMT OF BASE STUDENT ALLOCATION

SPONSOR(S): REPRESENTATIVE(S) GATTO

01/10/05 (H) PREFILE RELEASED 12/30/04  
01/10/05 (H) READ THE FIRST TIME - REFERRALS  
01/10/05 (H) EDU, HES, FIN  
01/27/05 (H) EDU AT 11:00 AM CAPITOL 106

BILL: HB 18

SHORT TITLE: INCREASE AMT OF BASE STUDENT ALLOCATION

SPONSOR(S): REPRESENTATIVE(S) WILSON

01/10/05 (H) PREFILE RELEASED 12/30/04  
01/10/05 (H) READ THE FIRST TIME - REFERRALS  
01/10/05 (H) EDU, HES, FIN  
01/12/05 (H) SPONSOR SUBSTITUTE INTRODUCED  
01/12/05 (H) READ THE FIRST TIME - REFERRALS  
01/12/05 (H) EDU, HES, FIN  
01/27/05 (H) EDU AT 11:00 AM CAPITOL 106

**WITNESS REGISTER**

EDDY JEANS, Director  
School Finance  
Department of Education and Early Development  
Juneau, Alaska

POSITION STATEMENT: Presented an overview of the public school funding program; Presented HB 73 to the committee.

ANNE KILKENNY

Wasilla, AK

POSITION STATEMENT: Testified in support of HB 73.

CODY RICE, Staff  
Representative Carl Gatto  
Alaska State Legislature  
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 1.

STEVE BRADSHAW, Superintendent

Sitka School District  
Sitka, Alaska

POSITION STATEMENT: Testified in support of increased student base allocation funds.

BRUCE JOHNSON, Director  
Quality Schools/Quality Students Service (QS2)  
Association of Alaska School Boards, AASB  
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 18.

MARY FRANCES, Executive Director  
School Administrator's Association, SAA  
Juneau, Alaska

POSITION STATEMENT: Testified in support of increased student base allocation funds.

MARY HAKALA, Coordinator  
Alaska Kids Count, AKC  
Juneau, Alaska

POSITION STATEMENT: Testified in support of increased student base allocation funds.

#### **ACTION NARRATIVE**

**CHAIR MARK NEUMAN** called the House Special Committee on Education meeting to order at [11:03:54 AM](#). Representatives Wilson, Lynn, and Salmon were present at the call to order. Representatives Thomas and Gara arrived as the meeting was in progress. Representative Gatto was excused.

#### **^OVERVIEW: PUBLIC SCHOOL FUNDING PROGRAM**

[11:08:08 AM](#)

EDDY JEANS, Director, School Finance, Department of Education and Early Development, presented the handout, within the committee packet, entitled, "Public School Funding Program Overview, Updated January 2005". He described who pays for entitlements, which consist of the following three areas: required local contribution by municipalities, federal impact aid dollars, and state funds.

He referred to the five steps listed at the top of page three of the handout:

We start with the school size adjustment, we adjust that product by the district cost factor, we multiply it by the district cost factor; in step three, we increase that product by 20 percent to provide additional resources for special needs programs and that would be your special education, excluding the intensive students. The severely multi-handicapped requires a full-time aid student, bilingual programs, gifted talented programs, and vocational education. The next step is, we add the adjustment for the intensive service counts, which I just described, students that would fall into that category. The fifth adjustment is for students enrolled in correspondence programs. And as many of you are aware, they're funded at 80 percent of the base student allocation. That gives us what we call the district's adjusted ADM and, as I mentioned earlier, on page 8, those calculations simply move from the left to the right for each school district on that spreadsheet. The ADM is the average number of students enrolled during the 20-day count period, which ends the fourth Friday in October and that's the mandatory count established by law. The first step is to adjust for school size; we have to take a look at the number of students that are being served in each of the communities and this school size step one adjustment tells us that if you're in a community that is serving 10 to 100 students, we're simply going to take that total population, and run it through the school size adjustment table, as one group. If you're in a community that is serving 10-100 students, we'll split your student population into K-6 and 7-12 and we'll run those two groups through the table as if you're operating two separate schools. Once you get over 425 students, each one of your schools in your district go through the size adjustment, independently. There are a couple of exceptions to that rule and that is, if you have alternative programs in your community, you have to be serving more than 200 students for that school to count as a separate school otherwise, they're added to the largest school in the district for the purpose of size adjustment. And, if you have charter schools in your school district, you have to have more than 150 students for those schools to be adjusted independently. On page 4, Mr. Chairman, we have the size table, this is listed in Alaska statute

14.17.450, and you can see we have a number of ranges of student population. The first is, 10 to 20; you get a flat adjustment of 39.60. The next range is 20 to 30, 30 to 75, 75 to 150 and you can see that further down the table, there. On the right hand side of that formula, I'd like to show you, real quickly, within the parens you can see that we have ADM minus ... 20, so if you have a student population of more than 20 students, but less than 30, what this formula tells us, is, let's say, for example, it's 5, or 25, you would start with 25 subtract 20, you would have 5 left over, you would multiply that times 1.62 and that product would be added to 39.6 to get your adjusted ADM for school size for a school of 25 students. Looking at the 1.62, if you look down that table, you can see the next adjustment is 1.49, the next adjustment 1.27, and this is a declining scale for economies of scale. In other words, your student population gets larger, it's more efficient to operate that school, so this is our size adjustment on a declining scale.

MR. JEANS explained that after all of the district schools have been adjusted in the size tables, the product is multiplied by the district cost factors which are set in Alaska statute 14.17.460. He stated that [district cost factors] are specific to school districts and range from 1.00 to 1.736. This new product, he said, is increased by 20 percent for special needs and the final number is adjusted for intensive service students. He described intensive service students, "these students are counted on the last day of the count period, and they have to have an active IEP, Individual Education Program, and receiving services on the last day of the count period. Once again, these are your severely multi-handicapped students and it's important to point out that not are they only counted here but they're also counted in the school, for the school size adjustment, so, it's not just this one component they're in the base and they roll through as well."

[11:15:49 AM](#)

REPRESENTATIVE GARA inquired as to the changes in the funding formula for special or intensive needs students.

MR. JEANS explained that the regulations clarify the definition of intensive students. Although, the regulation requires that

each intensive child have a full-time aide, some school districts did not interpret the regulation as such.

In response to Representative Thomas, Mr. Jeans clarified that when the foundation statute was amended under Senate Bill 36, in 1998, the adjustment for special needs students was determined to be 20 percent across the board.

REPRESENTATIVE THOMAS asked if any studies or feedback from other districts indicate that the 20 percent is inadequate.

MR. JEANS responded that there have not been any formal studies to determine the appropriate percentage. Senate Bill 36 passed, directed the department, through the foundation statute, to apply 20 percent to each district, he related.

REPRESENTATIVE GARA related that some of the school officials have complained that the regulation has resulted in less staff available for special needs children. He asked, "is my understanding correct, that under the new rule, you don't qualify as a special needs student for purposes of increased foundation formula funding unless you can show you need a full-time teacher aid?"

[11:18:59 AM](#)

MR. JEANS clarified that [special needs funding] is specifically for students under the intensive category, including severely multi-handicapped children; the issue concerns the ratio of teacher aids to intensive students. He explained that special education staff are working with school districts to assure that they understand how this specific provision is applied. He said that [the department] is currently going through a statewide audit of all intensive students and is working with school districts to clarify this issue.

[11:20:00 AM](#)

MR. JEANS turned to page 5 and the correspondence programs. He said that correspondence students are funded at 80 percent. He explained:

Once we go through all those calculations, we end up with what we call the district's adjusted average daily membership. And if I could just jump you over to page 7, real quickly, Mr. Chairman, you can see we use the Nome school district as an example, they are

serving 809 students. Once we took them through the size adjustment tables, they're adjustment for school size is 979.88, you apply the district cost factor of 1.319 to come up with \$1,292.46. Apply the special needs factor of 1.20, gets you an adjustment of \$1,550.95. They had three students that qualified for the intensive services, the adjustment there is five times, so that product is \$1,565; they don't have any correspondence students. The district's adjusted average daily membership is \$1,565.95; we then multiply that times the base student allocation, which is currently set at \$4,576, to come up with the basic need for that school district, which is \$7,165,000 dollars. Once we've determined the need ... it's really who pays for the need, and as I mentioned earlier there's three components: there's the required local contribution, the equivalent of four mills for municipalities, federal impact aid dollars, which the state considers 90 percent of those, and then the remaining is your state aid. And so, Mr. Chairman, if I can take you to page 9, we can go ahead and use Nome again, as the example, in column B their basic need is \$7,165,000. Their required local effort \$796,000. The federal impact aid that the state will consider is \$34,570. So the remainder is the state aid at \$6,334,000. We also have in the foundation program, what we call the quality school grant which is above the basic foundation, \$16 per adjusted average daily membership and districts have to submit a grant application to qualify for those funds. And typically, those are for your after school remedial type programs.

MR. JEANS offered to answer questions from the committee.

[11:23:05 AM](#)

REPRESENTATIVE WILSON inquired as to changes associated within the foundation formula.

MR. JEANS clarified that increasing the base student allocation increases the entitlement. He said that state aid will go up to offset that increase, but that required local effort and the deductible impact aid won't change. He included that [the department] has a cap on local contributions and districts are allowed to contribute 23 percent of their basic need in the current year. He concluded, "as you increase the student base

allocation, what you're also doing is increasing the ability of local municipalities to contribute more to schools, so the cap goes up as well, but that doesn't necessarily mean districts will receive more money."

CHAIR NEUMAN inquired as to that "23 percent" being spread evenly across the schools in that district or targeted toward a specific school.

MR. JEANS stated that all of the state aid is discretionary money and it is up to the local school board to determine how those resources are allocated at the district level.

REPRESENTATIVE THOMAS inquired as to increasing the base needs in the bill.

MR. JEANS replied that depends on what is in the bill.

[11:25:36 AM](#)

REPRESENTATIVE GARA inquired as to quality schools funding and its source.

MR. JEANS said that it is a separate section in the foundation formula at \$16 per adjusted ADM, which is in addition to the base student allocation.

REPRESENTATIVE GARA expressed his understanding that the base student allocation increased separately from the allowable local match, and as the foundation formula increased, the local match requirement was also increased.

MR. JEANS stated that it will increase on a one-year delay for three school districts where the required local effort is 45 percent of basic need. Those communities are the North Slope, Valdez, and Skagway. Mr. Jeans explained further, "that if 4 mills of your property value exceeds 45 percent of your basic need, then the state capture required local contribution at 45 percent."

[11:27:05 AM](#)

REPRESENTATIVE SALMON referred to page 9, in the handout, and inquired as to whether the money comes from state or federal funds.

MR. JEANS replied:

Column C is the required local effort, and ... a zero ... represents regional education attendance areas. They are not part of a organized, local municipality required to make a local contribution to education. The 100 percent that you are referring to in column E, is the impact aid percentage. And under the federal impact aid law, if you don't have a required local contribution in your state funding formula, you're allowed to consider up to 100 percent of a district's federal impact aid dollars. So, where you see that 100 percent in our state law, it's written that we will deduct 90 percent of what we're allowed to consider under the federal law. So, if we look at Alaska Gateway, you can see they have federal impact aid, \$242,000 worth, under the federal law we're allowed to consider 100 percent of those funds and so, under column F, 90 percent of the \$242,000 is \$218,000 and that gets subtracted from basic need in column B, to arrive at your state aid in column G.

REPRESENTATIVE SALMON asked what determines percentage amounts for different boroughs.

MR. JEANS responded that the federal impact aid program has requirements that include looking at requirements specific to the funding formula and comparing that to what districts are actually contributing. He stated that the ratio calculated must be applied to the federal impact aid dollars because, under the federal impact aid program, those funds are considered local resources. For example, the Aleutians East Borough contributes 60 percent above the required local effort, although the state only considers 40 percent of its federal impact aid dollars in the state funding formula. He concluded, "...our state law says, deduct 90 percent of what the federal government allows you to consider."

REPRESENTATIVE GARA said he does not understand the factors related to the local contribution requirements. He inquired as to the affects on the local contribution, if the 4 mill property tax part remains static year to year and the community has rising property evaluations. He inquired as to the affects on the local contribution.

[11:31:29 AM](#)

MR. JEANS explained:

There was an amendment to the required local contribution that began in fiscal year 2002, and, basically, what that requires the department to do is compare the current year's full value to a base year, which was the 1999 full values. We take that difference and cut it in half, and we apply that 50 percent remainder to the 1999 evaluation for the purposes of calculating required local effort for municipalities. So, I call it the education full value because it's not used anywhere else in the state; we get the full value determinations from the state assessors, Steve Vansant, and we have to make this comparison to the 1999 base, and make that adjustment. So, in essence, municipalities that have a rising property value are only having to pay 4 mills on 50 percent of that increase, from the 1999 base.

CHAIR NEUMAN asked for clarification concerning the references to the changes in 1999.

MR. JEANS stated that the bill was Senate Bill 174. He explained that this bill provided relief for specific municipalities and required the Department of Education and Early Development to use a calculation that considers only 50 percent of the property value increase when determining the required local effort.

REPRESENTATIVE SALMON inquired as to the effects of a school tax.

MR. JEANS said that there is school tax at present.

REPRESENTATIVE WILSON inquired as to increasing tax bases and the protocols associated for each following year.

MR. JEANS replied:

What the law requires us to do is always look back to the 1999 base. So in, say, this year, the value went up \$100,000, what the law requires us to do is only consider \$50,000, add that back to the base, and that's the full value that we apply the 4 mills to, to determine the required local contribution. Next year's values will come out, if it goes up \$150,000, half of that is \$75,000, we add that to the 1999 base

and that becomes the full value for determining required local contribution.

[11:36:08 AM](#)

REPRESENTATIVE WILSON inquired as to the economic responsibilities of schools in different areas, with different financial situations.

MR. JEANS informed the committee that if a municipality has increased property values, it is held harmless. Communities that aren't showing any growth are required to contribute 4 mills at the same level they have in the past.

REPRESENTATIVE THOMAS asked about Mt. Edgecumbe School, which is a state run school, and how it gets aid.

MR. JEANS responded that Mt. Edgecumbe is a state run school and the foundation law has specific direction, to the department, regarding how to calculate [Mt. Edgecumbe's] state aid. He explained that what this does is provide Mt. Edgecumbe with the revenue for its instructional program. Within the department's budget there is a separate component for the residential component.

[11:38:22 AM](#)

REPRESENTATIVE GARA posed a situation in which property assessments increase, so does the local match requirement. Would such a situation cause the amount the community receives from the state to decrease or is an additional amount of local money required, he asked.

MR. JEANS answered that if the need stays the same and property values increase, state aid decreases.

HB 73-INCREASE AMT OF BASE STUDENT ALLOCATION

CHAIR NEUMAN announced that the next order of business would be HOUSE BILL NO. 73 "An Act increasing the base student allocation for state financing of public schools; and providing for an effective date."

[11:40:31 AM](#)

MR. JEANS explained that HB 73 would increase the base student allocation for a two-year period. The first increase would take effect in the fiscal year (FY) 2006 budget cycle and would

increase the base student allocation from \$4,576 to \$4,880. In FY 07, the bill requires a second adjustment that would increase the base student allocation to \$5,190. The first-year costs associated with increasing the base student allocation would be \$62 million for FY 06 and \$64 million for FY 07. He mentioned a fiscal note, included in the committee packet, for the military youth academy, and explained that its funding is tied directly to the base student allocation. The fiscal note shows that the increased grant would be \$425,000 in FY 06 and \$433,000 in FY 07. Mr. Jeans pointed out that the governor's funding proposal does have a companion bill, HB 65, which would make the appropriations for K-12 support.

REPRESENTATIVE WILSON inquired as to how the increased amount was determined.

[11:42:54 AM](#)

MR. JEANS explained that the increased contribution of school districts to Public Employee's Retirement System (PERS) and Teachers' Retirement System (TRS) will be \$38 million statewide and the governor wanted to provide additional funding for ongoing operational costs. Therefore, [the department] averaged the Anchorage Consumer Price Index (CPI) for the last three years and came up with 2.47 percent. This percentage was applied to the foundation program, and the cost associated was \$24 million. The total amount summed \$62 million.

REPRESENTATIVE WILSON asked what happens if a school loses ADM.

MR. JEANS stated that if a school has fewer students, it will receive fewer dollars and staffing adjustments will be necessary.

REPRESENTATIVE THOMAS inquired as to Anchorage's \$10 million shortfall, and the proposed increase request.

MR. JEANS clarified that the Anchorage initial budget shortfall was \$30 million of which the governor's proposal would provide \$20 million. He stated that this was the starting point and the numbers have yet to be refined.

[11:46:28 AM](#)

REPRESENTATIVE GARA described his involvement in attempting to figure out the impact of the governor's budget on various school districts. He said the preliminary assessments show that many

school districts are somewhat held harmless by the budget compared to last year. He asked, "What is causing so many of these school districts still to fall behind?"

MR. JEANS replied that this is a product of the budget process at the local level in trying to determine the district's needs. The governor's budget proposes to increase the foundation program, to offset the increases for PERS/TRS, and provide an almost 2.5 increase for operational costs.

REPRESENTATIVE GARA stated that he would like to do something more than just hold schools harmless to where they were last year. Last year schools were held harmless to the prior year, when they essentially lost money. He said that he would like to add staff in a way that could make a meaningful difference to schools. He asked if the administration would consider that. He also asked if Mr. Jeans could provide some suggested efficiencies to control cost growth.

MR. JEANS said that he could not respond.

[11:50:12 AM](#)

ANNE KILKENNY stated that there are different needs in different districts because of the adjustments that are not made in the foundation formula. The foundation formula only makes four or five adjustments. She said that the foundation formula does not make adjustments where student enrollment is decreasing and so, the cost per student increases. The aforementioned is the situation in Kenai. She related situations in which property values rise and cause local required contributions to increase but this, in turn, decreases state contributions, as is the case in Anchorage. Therefore, certain areas have greater need than others.

MS. KILKENNY discussed that schools that are designed for specific numbers of students cannot operate efficiently or cost effectively if the student populations rise. She provided an example in the Mat-Su Valley, and noted that even the governor's proposal may be inadequate for the Mat-Su Valley. She expressed her belief that, "a refinement of the Anchorage school district budget would mean a diminishment of the quality of education in that district as it would in the Mat-Su, as it would in Kenai, as it would in Ketchikan, Petersburg, North Slope burrow, and every other district that has indicated that even the governor's proposal is inadequate for this simple maintenance of the status quo."

[HB 73 was held over.]

HB 1-INCREASE AMT OF BASE STUDENT ALLOCATION

CHAIR NEUMAN announced that the next order of business would be HOUSE BILL NO. 1 "An Act relating to the base student allocation used in the formula for state funding of public education; and providing for an effective date."

[11:55:41 AM](#)

CODY RICE, Staff to Representative Carl Gatto, sponsor, stated that HB 1 represents a \$13 increase over the current year's base student allocation; the total number would then become \$4,589. He clarified that this number does not include PERS/TRS adjustments in the base allocation.

CHAIR NEUMAN upon determining there were no comments or questions, announced that HB 1 would be held.

HB 18-INCREASE AMT OF BASE STUDENT ALLOCATION

CHAIR NEUMAN announced that the final order of business would be SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 18 "An Act increasing the base student allocation used in the formula for state funding of public education; and providing for an effective date."

[11:57:12 AM](#)

REPRESENTATIVE WILSON, sponsor, expressed her belief that it is essential to attract and retain the most highly qualified teachers and support staff in order to provide the best program offerings for students. She explained that costs associated with operating schools are increasing and teachers have no control over the regulation of these expenses. Furthermore, although teachers have to assume greater responsibilities due to NCLB standards, they are not receiving monetary awards. Therefore, it is imperative that the legislature increase the student allocation. This bill would increase the student allocation by \$325 dollars per student. She related that she has received letters from around the state which have stated that the governor's bill would not allocate sufficient funding for securing basic needs, such as rehiring current teachers for the coming school year. She reviewed some of the specific needs of specific districts.

12:00:50 PM

REPRESENTATIVE LYNN requested a spreadsheet comparing the similarities and differences between HB 1, HB 18, and HB 73.

REPRESENTATIVE THOMAS inquired as to the effects of increasing quality school grants.

MR. JEANS replied that quality schools funding is separate from the foundation program base funding which is discretionary money to allocate as the school board sees fit. The quality schools grants require that the district submit an application, tell how it's going to use those funds to improve student performance achievement and require follow-up reports and assessments. He explained that although an increase in quality schools grant doesn't allow an increase in the local contribution, an increase in the base student allocation will increase the allowable local contribution.

REPRESENTATIVE SALMON asked if the department had established what the school district's needs are this year. He noted that it seems that things are always based on Anchorage. He expressed the need to concentrate on the small schools in rural districts.

12:05:37 PM

MR. JEANS said the school districts haven't been polled in regard to their fiscal desires. He pointed out that the formula makes adjustments for the size of the student population within communities, and there is more funding provided for smaller student populations and smaller schools. He said there are adjustments with the regional cost differentials that are to assist in offsetting the regional cost differences of providing education. In the end, when the money is put into the formula, he said, those adjustments are being considered through the other factors in the funding formula itself.

REPRESENTATIVE SALMON asked if the formula takes into consideration the location of the schools.

MR. JEANS replied yes, and restated that the regional cost factor takes into account the varying regional cost factors. In further response to Representative Salmon, he stated that increasing the base student allocation should be making adjustments for those increased costs such as higher fuel costs.

12:09:04 PM

STEVE BRADSHAW, Superintendent, Sitka School District, opined that he has serious concerns related to increased demands with special education. He explained that these students have high needs that require multiple special assistants. The costs involved, he said, are extremely high. He mentioned the demands of NCLB standards and opined that the [Sitka School District] has made great leaps forward in the education of Alaskan children but more manpower is required. He expressed his frustration in finding the quality of teachers demanded by statute and not being able to offer them competitive wages. He stated his appreciation of the governor's proposal, but explained that it will not meet his school district's needs. He stated:

We've already started the budget process; we'll have to cut \$200,000. That means, four teachers in this district. If I take four of the teachers at the bottom of the pay scale, it will cost me four teachers to get through next year. I can't afford to cut four teachers; I've already cut about 13 over the last three years. So, any effort that you can make to help us in the situation would be greatly appreciated. We can get the job done, we can educate every child and not leave any child behind, but I need specialists in the classroom to help my teachers, not only my kids, but my teachers in instruction in reading, writing, and math. I know you've got a tough year in front of you, I appreciate your efforts, and we just need the help, so thank you.

REPRESENTATIVE THOMAS pointed out that Sitka is considered the same base as Anchorage and inquired as to the impact loss of that.

MR. BRADSHAW stated that the cost of living and the housing costs in Sitka are high, but fuel costs in Southeast are lower than in other parts of the state. He expressed his belief that the Southeast cost factor should be adjusted.

12:14:50 PM

BRUCE JOHNSON, Association of Alaska School Boards, (AASB), said that on behalf of AASB, he wanted to thank the committee for taking this issue seriously. The governor's bill is a wonderful starting point, he said. He explained that AASB is working with

member districts to look at some of the impacts of a \$62 million increase and what it might take to offer the same program as this current year plus appropriate changes relevant to recent mandates. He emphasized that AASB would not shy away from the accountability portion and that many of these measures are helpful in moving ahead.

[12:17:22 PM](#)

MARY FRANCES, Executive Director, Alaska Council of School Administrators, , related that the association is supportive of any bill that increases the student base allocation. She stated that "SAA" is trying to decide on a specific request for the student base allocation. She pointed out that after years of flat funding and increased inflation, it has been difficult to compensate each year. Therefore, "SAA" looks forward to continued incremental improvement.

MARY HAKALA, Coordinator, Alaska Kids Count (AKC), described AKC as a grassroots lobbying effort organized by parents and community members supporting public education. She said this is a statewide network of over 500 individuals. She explained that AKC establishes its goals dependent on what involved parents determine is needed in schools. She related that AKC's priorities this year are to increase foundation funding. She expressed that although AKC appreciated the governor's initial increase proposal, it does not bring the schools into "status quo funding". She said that school programs have suffered in the past, due to the lack of sufficient funding, and AKC would like to see a direction change.

[HB 18 was held over.]

#### **ADJOURNMENT**

There being no further business before the committee, the House Special Committee on Education meeting was adjourned at [12:21:00 PM](#).