

CONFERENCE Committee HB 1  
May 23, 2005  
8:20 p.m.

CALL TO ORDER

Representative Meyer called the House Finance Committee meeting to order at [8:20:27 PM](#)

MEMBERS PRESENT

Senate:

Senator Gary Wilken Vice-Chair  
Senator Lyda Green, Member  
Senator Lyman Hoffman, Member

House:

Representative, Kevin Meyer, Chair  
Representative Mike Chenault, Member  
Representative Les Gara, Member

MEMBERS ABSENT

None

ALSO PRESENT

SUMMARY

#hb1

CS FOR HOUSE BILL NO. 1(HES)

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

and

SENATE CS FOR CS FOR HOUSE BILL NO. 1(FIN)

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

CC CSHB 1 was REPORTED out of Committee with a "do pass" recommendation.

Representative Chenault MOVED to ADOPT CSHB 1 (HES) as the conference committee version.

[8:21:18 PM](#)

Representative Gara OBJECTED for the purpose of discussion. He agreed with the motion but pointed out that even with the \$4,919 [ADM] that there will be teacher cuts around the

state. He observed that the state of Alaska is preparing to fund a capital budget, which is \$600 - \$700 million more than the previous year's appropriation and suggested that additional education funding in the capital budget would avoid school cuts. He suggested that the \$38 million in PERS/TRS funding be added on top of the \$4,919 ADM. This would provide funding at the level requested by many of the school districts and would address shortfalls in education funding.

Representative Gara WITHDREW his OBJECTION.

[8:23:03 PM](#)

Senator Wilken acknowledged that some districts would have a shortfall, but maintained that many districts would do fine with the proposed funding level.

[8:23:47 PM](#)

Senator Hoffman observed that there are different facets to the budget, including the capital budget. He observed that the major maintenance list has been discussed and stressed the need for new schools. He maintained it is difficult for children to learn without adequate facilities.

[8:24:54 PM](#)

Representative Chenault observed that he has worked on cost differential issues and that there would be a task force to continue work on the issue. He maintained that there have been too many studies on cost differentials in recent years that have not resulted in change. He stressed that his district is hurting as much as most other districts in the state. He observed that \$4,919 is a large increase over past years. He noted that the capital budget would contain funding for deferred maintenance. He expressed the hope that savings in fuel costs or maintenance can be turned toward education.

[8:26:58 PM](#)

Representative Gara agreed that there had been improvements in the backlog of school maintenance and construction. He maintained that school districts representing more than half of the children in the state would suffer cuts under the \$4,919 funding level [Anchorage, Wrangel, Kake, Juneau, Kenai, Iditarod, Lake and Peninsula, Copper River, and Unalaska] but observed that several districts will still suffer cuts.

Representative Gara WITHDREW his OBJECTION.

There being NO OBJECTION, it was so ordered.

[8:28:38 PM](#)

#

ADJOURNMENT

The meeting was adjourned at 8:28 PM