

HOUSE FINANCE COMMITTEE
April 10, 2018
9:08 a.m.

9:08:33 AM

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 9:08 a.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Paul Seaton, Co-Chair
Representative Les Gara, Vice-Chair
Representative Jason Grenn
Representative David Guttenberg
Representative Scott Kawasaki
Representative Dan Ortiz
Representative Lance Pruitt
Representative Steve Thompson
Representative Cathy Tilton
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Representative Les Gara, Sponsor; Michelle Sydeman, Staff, Representative Les Gara; Monica Goyette, Mat-Su Borough School District, Mat-Su; Jack Walsh, Superintendent, Craig School District, Craig; John Conwell, Superintendent, Unalaska School District, Unalaska; Scott MacManus, Superintendent, Alaska Gateway School District, Tok; Jeff Deeter, Board Member, Alaska Gateway School District, Tok; Mike Hanley, Superintendent, Chugiach School District, Chugiach; Sean Egan, Self, Juneau; Laural Jackson, Superintendent, Delta/Greely School District, Delta Junction; Christie Hendrick, Self, Juneau; Martin Stepetin, Self, Juneau; Martin Stepetin, Self, In Room; Mark Miller, Superintendent, Juneau School District, Juneau; Jeff Short, Member, Juneau School Board, Juneau; Dan Carstens, President, Alaska Association of Secondary School

Principals, Nikiski; Amy Lujan, Alaska Association of School Business Officials; Ralph Watkins, Hoonah City School District, Hoonah.

PRESENT VIA TELECONFERENCE

David Brighton, Kenai Peninsula Education Association, Kenai; Deena Mitchell, Self, Anchorage; Josh Keaton, Vice President, Juneau School Board, Juneau; Deena Bishop, Superintendent, Anchorage School District, Anchorage; David Nees, Self, Anchorage; Thomas Claameyer, President, Anchorage Education Association, Anchorage; Mary McMahon, Alaska Association of Secondary Principals.

SUMMARY

HB 339 INCREASE BASE STUDENT ALLOCATION

HB 339 was HEARD and HELD in committee for further consideration.

Co-Chair Foster discussed housekeeping.

#hb339

HOUSE BILL NO. 339

"An Act relating to the base student allocation; and providing for an effective date."

9:09:18 AM

REPRESENTATIVE LES GARA, SPONSOR, provided a PowerPoint presentation titled "Education Matters: It's Time to Increase the BSA" (copy on file).

MICHELLE SYDEMAN, STAFF, REPRESENTATIVE LES GARA, introduced herself.

Co-Chair Foster asked committee members to hold questions until the end of the presentation.

Vice-Chair Gara addressed Slides 2 through 4. He believed that the FY19 discussion about education boiled down to two issues: early funding, without which teachers were demoralized, and adequate funding, which demoralized parents. He said that the bill would increase education funding by \$100, per student, roughly 1.7 percent. He

asserted that BSA funding had been flat for the past many years, funding had decreased for some of those years, most markedly in 2016. He stated that the department had attempted to use the General Fund balance to survive the last few years and were now being forced to consider severe cuts. He relayed that many schools had been using reserves to make up for funding shortfalls and many were nearly broke.

[9:10:55 AM](#)

Vice-Chair Gara turned to Slide 5 and reported that funding was down about \$17 million since FY 15.

Vice-Chair Gara continued to Slide 6, "Why Has School Funding Declined Since FY 2015":

- \$43 million added in FY 15 was deleted from the budget in FY 16.
- This was only partially offset by \$50 BSA increases in FY 16 and FY 17, each of which added \$12.6 million.
- Overall, funding through the BSA has fallen by roughly \$17 million. When you add in changes due to student counts & local contributions, the loss since FY 15 is about \$25 million.

[9:11:35 AM](#)

Vice-Chair Gara turned to Slide 8, which highlighted that funding was down \$90 million since 2015, considering inflation. He lamented that another year of flat funding to the Fairbanks School District would result in the loss of 50 positions; the district had lost 231 since 2009. He said that since 2003, nearly 400 positions (teachers, career counselors, and guidance counselors) had been cut as classroom sized had increased. He shared that the same had happened in many of the state's larger districts. He related that Special Education enrollment numbers had increased, as well as Intensive Needs enrollment, which greatly increase costs to districts.

[9:12:41 AM](#)

Vice-Chair Gara shared one teacher's story on Slide 13, which offered several bullet points describing a classroom size increase of 28 to 32, which had hindered the teacher's ability to fairly teach students at an individual level. He

shared that the Juneau budget reductions had been significant; the district faced a \$3.5 million deficit for FY 19 and had lost nearly 100 positions. (Slide 14)

[9:13:19 AM](#)

Vice-Chair Gara addressed Slide 15 and spoke about Mat-Su facing similar cuts. He noted that the district has experienced an increase in student population but had not been able to hire teachers to meet the increasing need. Some impacts were on Slide 16 and included cuts to activities and the elimination of summer school. Kenai and Kodiak impacts on Slide 17 reflected bigger class sizes and fewer options for students. He lamented that these were the results of an extended period of flat and reduced funding for schools.

[9:14:17 AM](#)

Vice-Chair Gara reviewed impacts to the Lake and Peninsula School District on Slide 18, where 20 school days had been cut from the school year; the superintendent of that district was concerned about eventual cuts to core services. He said that some Bristol Bay communities were starting to combine classes (Slide 19) in the effort to minimize the loss of teachers. He opined that many schools had to cut art and music classes. He furthered that impacts in Sitka (Slide 20) class sizes had increased while funding had remained flat. He stated that Wrangell High School no longer provided 3 years of foreign language, which impacted college applications.

[9:15:27 AM](#)

Vice-Chair Gara moved to Slide 22 and shared that a teacher of the year Sarah Birrmanns was considering leaving the state, fearing a bleak future in education in Alaska. He warned that cuts in education would result in the loss of the state's best teachers.

[9:16:07 AM](#)

Vice-Chair Gara turned to slide 25 and stated they had not figured out a way to solve the fiscal problem. Adults needed to get their act together. Some of the school districts supporting the bill were on Slide 26:

- Anchorage
- Fairbanks
- Mat-Su
- Kenai Peninsula
- Bristol Bay
- Juneau
- Southwest Region
- Lake & Peninsula
- Cordova
- Hydaburg
- Kuspuk
- Iditarod
- Petersburg
- Craig
- Sitka
- Aleutian Region
- Delta/Greely
- Haines
- Kodiak
- Chatham

Vice-Chair Gara turned to Slide 27, which listed additional organizations that supported the legislation:

- Alaska Association of School Boards
- Alaska PTA
- NEA-Alaska
- NAACP Education Committee

[9:17:01 AM](#)

Representative Wilson argued that the increase would not be \$100 per student across the board but would depend on which school district the student was in and the size of the school. She requested a chart that detailed how the bill would impact each student in every district.

Vice-Chair Gara would ask the Department of Education and Early Development (DEED) to provide the detail.

Representative Wilson asserted that smaller schools would benefit, and larger schools would not.

Vice-Chair Gara would request the information from the department.

Co-Chair Foster OPENED public testimony.

MONICA GOYETTE, MAT-SU BOROUGH SCHOOL DISTRICT, MAT-SU, testified that the budget for her district of 47 schools, serving 19,000 students, was approximately \$250 million, \$232 million for general operating expenses and additional federal grant funding. She said that the cost of doing business from year-to-year increased by \$7 million each year. She stated that flat funding for FY 19 would result in reducing services by \$7 million. She lamented that 2018 had been the first year that the district had been unable to use reserve funds to close the fiscal deficit. She shared they had cut 87 employees. She shared that next year high school class sizes would be 33 to 1 and elementary classes would average at 25 to 1. She stated that a big achievement of the current year was every kindergarten class had been under 30 students, with no class aides. She spoke about the rising cost of healthcare - it was the largest cost driver at \$40 million and the district had experienced a 25 percent increase in cost. The health care cost had compounded the issue of funding over the past year.

[9:22:25 AM](#)

JACK WALSH, SUPERINTENDENT, CRAIG SCHOOL DISTRICT, CRAIG, shared that his district had a \$7 million budget. He had been told their health insurance rates would increase between 8 and 11 percent. He only had 35 teachers and would not eliminate teacher positions, but he would have to eliminate one administrative position in the coming year. He understood the issue impacted everyone in different ways. A \$100 increase to the BSA would mean about \$85,000 for his district; it would help with the deficit. He was losing a federal grant of \$400,000 to support reading and math intervention for students. It was not easy to tell parents they had just lost money and there was no recourse to be taken.

Representative Ortiz asked whether the federal grant had been discontinued. He asked for detail.

Mr. Walsh answered that the federal grant had been an Alaska Native education grant. He hoped in the future the grant would return. He lamented that there were fewer grants available to supplement the district's programs.

[9:26:34 AM](#)

JOHN CONWELL, SUPERINTENDENT, UNALASKA SCHOOL DISTRICT, UNALASKA, shared many of the same concerns as his colleagues. He stated that 75 percent of the students in his district spoke languages other than English in home and 25 percent spoke no English. The district had to cut approximately 10 percent of its teachers in recent years including the art teacher, librarian, and others. The district depended on the generosity of the city for funding support. The increase would go a long way to help backfill deficits. He urged the committee's support for the bill.

Representative Ortiz referenced Mr. Conwell's testimony about students not that came from homes speaking a language other than English.

Mr. Conwell replied that approximately 70 percent of the district's student came from homes that did not speak English as a first language, or at all. He said 25 percent of the student population had been identified buy the state's English language assessment as needing specialized services.

Representative Ortiz spoke to the loss of the English as a second language (ESL) teacher. He asked whether any ESL staff remained in the district.

Mr. Conwell answered they had 1 ESL teacher remaining.

Representative Wilson asked about the school's graduation rate.

Mr. Conwell replied it was 100 percent.

[9:30:08 AM](#)

SCOTT MACMANUS, SUPERINTENDENT, ALASKA GATEWAY SCHOOL DISTRICT, TOK, testified in support of the bill. He provided statistics about increases in healthcare costs. He opined that the district could not provide healthcare to classified employees. The district was on the road system and did not have high turnover, but it struggled with how to provide competitive benefits to employees. The district had to give a 2 percent raise to teachers in the current year because without it they would not have the ability to attract or retain them. He shared he had attended job fairs and reported there had been 1,600 energetic teachers looking for jobs but that the state could not compete with

a starting salary of \$59,000. He lamented that when people did not have a connection to Alaska and the salary and benefit package was not high, it was difficult to compete with other states for quality teachers.

[9:33:49 AM](#)

JEFF DEETER, BOARD MEMBER, ALASKA GATEWAY SCHOOL DISTRICT, TOK, shared that he was a graduate of the school in Dot Lake. He provided detail about the life of his family. He thanked the committee for its work during session. He saw light at the end of the tunnel due to the work that had been done by the legislature. He believed one of the best things the government could do was eliminate uncertainty. He supported a BSA increase. He spoke about rising health insurance costs. He contended that an increase to the BSA would level out with healthcare increases.

[9:36:40 AM](#)

MIKE HANLEY, SUPERINTENDENT, CHUGIACH SCHOOL DISTRICT, CHUGIACH, shared that Alaska's schools operated in some of the most difficult conditions in the country. Alaska led the country for rates of child abuse and neglect, domestic violence and substance abuse. He shared that his district brought in students from other districts to have access to programs in its schools. The travel cost alone was putting pressure on the district and the programs would probably have to be set aside. He believed that this was a tragedy. The district was not able to bring the kids in as it tightened its own belt. He testified that the \$100 BSA increase was a very smart investment that would have positive economic impacts.

Representative Guttenberg shared a positive experience he had as a legislator in the classroom. He explained that sitting in the classroom to witness everything first hand was something that districts should continue offering to legislators.

Co-Chair Seaton spoke about the increasing healthcare costs. He asked whether the district had a program of looking at avoidable costs to keep teachers, employees, and dependents healthy.

Mr. Hanley answered the insurance company provided healthy advice and excess to some programs but nothing specific.

[9:42:17 AM](#)

SEAN EGAN, SELF, JUNEAU, spoke about pupil teacher ratio. He shared that he had two children in the Juneau School District and there were only 39 seats in his son's class of 40 students. He spoke about the load on English teachers, some teachers stopped assigning writing assignments because they did not have time to read all the essays. He spoke about welding classes that could be eliminated; however, he reasoned that if they eliminated the classes there would not be a future workforce for building a gas pipeline. It was necessary to keep physics, shop and other courses. He asked the committee to increase the BSA.

Co-Chair Foster noted Representative Kawasaki had joined the meeting.

[9:45:35 AM](#)

DAVID BRIGHTON, KENAI PENINSULA EDUCATION ASSOCIATION, KENAI (via teleconference), spoke in support of the legislation. The district had received flat funding for four years. The district was looking at spending even more of the fund balance, which was quickly disappearing. He said that the district had to cut over \$8 million in the last two years. They were looking at combining elementary classes in some schools. His son had lost the option to take French. He stated that most elementary schools no longer taught art and that teachers were trying to do the best they could. They were looking at cutting the district wide art coordinator. The past year they had made cuts to custodial staff and teachers had been asked to help with those duties. The district was doing all it could to reduce costs. He lamented that high healthcare costs were a burden on his district.

[9:49:07 AM](#)

DEENA MITCHELL, SELF, ANCHORAGE (via teleconference), spoke in favor of the bill. She shared the need for adequate and predictable funding to allow districts to plan for spending. She asserted that annual cuts in education were harmful to students. The district was looking at a \$13 million gap in its budget in the current year. She stated that were the bill to pass, the district could reduce the budget gap by about \$9.1 million because the local

contribution would be increased. The bill would not fill the gap completely, but it would help considerably.

Co-Chair Seaton asked whether Anchorage was looking at controlling its medical costs by going out to bid for specialty work out of state. He wondered whether they had found costs savings for members to travel outside of Alaska for treatment.

Ms. Mitchell answered that the district was looking at all kinds of possibilities for savings. She shared that the union had its own healthcare. She said that nonunion members had established the Vera Health Clinic, which should result in savings.

Co-Chair Seaton asked for districts to follow up with similar methods and cost savings.

[9:53:38 AM](#)

JOSH KEATON, VICE PRESIDENT, JUNEAU SCHOOL BOARD, JUNEAU (via teleconference), spoke in strong support for the legislation. The district was at the bottom of the barrel in terms of cuts to finances. He opined that the district was looking at cutting additional teachers. He stressed that the quality of education in the state rested in the legislature's hands. He urged the BSA increase.

[9:55:20 AM](#)

DEENA BISHOP, SUPERINTENDENT, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE (via teleconference), spoke in support of the bill. She stressed that Alaska needed the legislation to propel the state into action. She spoke about Alaska's rating as last in reading achievement. She felt that the state's low rating would likely result in a blame game but no accountability. She stressed the importance of looking for answers and coming together for Alaska's youth. She pointed out that the revenue allotted for education in the state was the highest in the nation, yet outcomes were some of the lowest. She underscored the importance of working together to change the outcomes. She spoke about the high costs of items in Alaska including education, transportation, and infrastructure. It was a challenge that had to be embraced. The work had to start with students and families and it took resources. She spoke about other issues such as high domestic violence, lack of mental

health care, opioid abuse, and other; schools were a microcosm of the community.

10:00:24 AM

DAVID NEES, SELF, ANCHORAGE (via teleconference), testified against the bill. He spoke about recent increases to the BSA. He stated that the money to districts had gone up in recent years. He said he would provide his testimony in writing.

10:02:28 AM

LAURAL JACKSON, SUPERINTENDENT, DELTA/GREELY SCHOOL DISTRICT, DELTA JUNCTION, shared that her district had faced a \$240,000 deficit and still faced a \$30,000 deficit after many cuts had been made. She stressed the importance of the bill. She stated that because of the unique structure of educators' negotiated agreement the increase in health insurance would come directly from teachers' salaries. She strongly believed that the increase was necessary and that it came down to whether the legislature would act.

Representative Ortiz thanked Ms. Jackson for her work. He spoke to the problem of unfunded mandates coming from the state. He asked whether she saw that as a problem in her district.

Ms. Jackson answered that the mandates hindered the district's ability to prioritize where and how money could be spent in other areas.

Representative Wilson spoke about local contribution. She asked if there was a mechanism that could be put into place that could help the district.

Ms. Jackson answered that it would depend on who was asked. She believed mostly the people of Alaska were willing to help pay for public education. From a personal standpoint she said, "Tax me."

Representative Wilson stated people in unorganized areas had not been given the opportunity to voluntarily contribute to the formula.

Representative Thompson asked understood the Pogo Mine made a payment in lieu of taxes that was given to the school district in Delta Junction.

Ms. Jackson answered that the payment in lieu of taxes went to the city of Delta Junction, which was not required to give any of the money to the school district. She added that Pogo Mine had donated to some extracurricular activities.

[10:08:16 AM](#)

CHRISTIE HENDRICK, SELF, JUNEAU, testified in support of the bill. She was a parent of two in the Juneau School District. She worked part-time to have a strong presence in her children's lives after school, to assist in their classrooms, and to testify today. She noted that many parents did not reserve the same luxury. She shared that despite the teachers' best attempts, often it was controlled chaos in classrooms. She relayed that there were over 30 students in her daughter's middle school classroom. She stated that when learning did not happen at school the burden was on the parents at home. She related that she could do it, but many parents were unable to bolster their children's education at home. She believed that the importance of education could not be understated. She emphatically supported the BSA increase and forward funding for education.

Vice-Chair Gara relayed there was about 30 minutes left in the meeting and if others wanted to testify they could sign up. He asked about parents considering leaving the state because of a lack of the commitment to education.

Ms. Hendrick answered that she had friends who had left the state temporarily who had been appalled at how far ahead students elsewhere were. She said that parents were considering relocating from Alaska in pursuit of a better education for their kids.

[10:13:05 AM](#)

MARTIN STEPETIN, SELF, JUNEAU, spoke in support of the bill. He brought his small daughter with him to the table. He did not support additional cuts or flat funding to education, the Office of Children's Services, or other children's services. He stressed that flat funding was

comparable to a budget cut. He stated it was sad to lose teachers and teachers did not get paid enough. He provided detail on his kids in the education system. He said he would be willing to pay higher taxes to fund education. He asked the committee to pass the bill and support education.

Representative Guttenberg thanked Mr. Stepetin for his testimony.

[10:15:50 AM](#)

MARK MILLER, SUPERINTENDENT, JUNEAU SCHOOL DISTRICT, JUNEAU, shared that he had tried to cut the district's budget with "a scalpel and not a chainsaw." He stated that the district had tried to do more with less, but now it was doing less with less. He testified that 1 in 5 students in Juneau had an individualized education plan (IEP). He said that very little school funding was discretionary, most was mandatory. He provided details about the elimination of a middle school study program. He stated that auto shop would likely be eliminated the following year. He lamented that the district's technology implementation that allowed students to do more online collaboration and learning would be cut in the next year. The district could only afford 50 percent of the necessary textbooks to implement the curriculum for 2019. He relayed that the increase would allow the district to do more; the increase would be significant.

Representative Kawasaki queried how the cuts had impacted the middle school and high school extracurricular activities.

Mr. Miller answered that one of his first actions had been to cut all funding to travel for students. He shared that he only way to travel from Juneau was on a ferry or to fly. He relayed that the expense was significant.

[10:19:28 AM](#)

Representative Grenn asked whether minimum qualifications had changed for teacher hire.

Mr. Miller answered that they had not changed their qualifications, but there had been more open positions that went unfilled. He said that the consequence of that was filling the position with a substitute or to contract some

services in the Lower 48 telephonically. Currently, the fill rate for substitutes was often as low 50 percent, meaning that 1 out of 2 of the classrooms that needed a substitute went without a teacher.

Representative Grenn asked what the lack of teacher substitutes did to the quality of education.

Mr. Miller answered that it could mean a student sitting in a room staring at a wall versus being taught by a quality teacher.

Vice-Chair Gara asked for the number of positions cut in the past few years.

Mr. Miller answered that administrative positions had been cut by 33 percent, and 18 percent of teachers.

Vice-Chair Gara asked whether the district was at a point where flat funding would impact academic achievement and student's ability to get into college.

Mr. Miller answered that the districts had cut back as far as possible and had used every dollar of end fund balance available. He said that the end fund balance for 2018 was likely to be between \$500,000 and \$750,000 out of an \$80 million budget, which would fund less than 2 school days; The district was broke. He lamented that all that could be done was to cut back on teachers, staff, and students would receive fewer educational opportunities.

[10:22:52 AM](#)

Vice-Chair Gara stated that several other districts had gone through the buffer of their reserves. He asked whether future flat funding of education would have more severe impacts to education.

Mr. Miller replied in the affirmative.

Representative Ortiz asked about teacher recruitment. He asked about unfilled positions in Special Education.

Mr. Miller answered that there had been one position filled during the second semester. He said he was sending the Special Education director to Michigan the following week to recruit candidates from that area.

Representative Ortiz asked how many positions remained unfilled.

Mr. Miller answered that they had filled all the positions, many had been unfilled for a portion of the year.

Representative Ortiz asked about a connection between the ability to have certified staff and the level of federal funding.

Mr. Miller responded that federal dollars helped fund more expensive educational needs. He relayed that the severity of disabilities that needed accommodation were becoming increasingly severe.

[10:25:45 AM](#)

Vice-Chair Gara asked whether there was anything the state was doing to make recruitment more difficult.

Mr. Miller answered that the problem was nationwide. He believed that the current generation did not view teaching as a viable profession, which he attributed to the increased demands placed on teachers and the decrease in compensation.

[10:26:42 AM](#)

JEFF SHORT, MEMBER, JUNEAU SCHOOL BOARD, JUNEAU, spoke in support of the bill. He relayed that he had paid the initial income tax and had been happy to do it. He stated that he had also paid the past school tax. He revealed that her would gladly pay both taxes again, at higher rates, if it would mean adequately funding education. He implored the committee to pass the \$100 BSA increase. He reminded the committee that they had taken a 10 percent cut over recent years due to increases in inflation. He reminded the committee that Alaska was not a poor state; the problem was solvable. He stressed that if the problem was not fixed the state would face long-term negative economic impacts.

Vice-Chair Gara asked for examples of effective programs that had been cut.

Mr. Miller cited the middle school Advancement Via Individual Determination (AVID) program as an example. He

added that the pupil to teacher ratio in middle schools had increase to an unsustainable level.

10:29:51 AM

DAN CARSTENS, PRESIDENT, ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS, NIKISKI, testified in support of the bill. He believed that the education system was not broken but fractured. He thought that the continued erosion of education funding would exacerbate the problem. He spoke of having to shift students around in order to compensate for lack of teachers. He said that sometimes teachers were asked to teach classes that they were not qualified to teach. He lamented the two openings for Special Education teachers in his school and expressed fear that he would not be able to fill them. He said that the increase to the BSA would allow for a real valuation of teachers and educators.

Representative Grenn asked whether Mr. Carstens was a principal.

Mr. Carstens answered in the affirmative.

Representative Grenn asked how the salaries impacted morale.

Mr. Carstens answered that the culture in his school fostered a positive morale; however, the outlook on the valuation of the work that teachers do was negative. He spoke about the high cost of living in Alaska. He did not want a statewide strike and hoped that steps would be taken to place a higher value on education in the state.

Representative Grenn asked what was maintaining the morale in his school.

Mr. Carstens answered stability. He believed that good leaders could inspire positivity. He stated that morale killers were not valuing teachers and having large class sizes.

10:34:34 AM

Representative Kawasaki asked what a good student/teacher ratio looked like at the secondary level.

Mr. Carstens answered that the mid-20s would be a good place to start. He explained that he generally had 60

students that needed to take Algebra 1 and he struggled with choosing between two classes of 30, or three classes of 20. Without the additional BSA he would be forced to choose two classes of 30.

[10:35:26 AM](#)

AMY LUJAN, ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS, spoke in support of the bill. She commended all the school districts in the state for working to provide their students with quality education during tight financial times. She stressed that it was not possible to go back and take third grade again. She stressed that the increase was a worthwhile investment. If the funding was not provided, Alaskan's would realize that their children were in a class of 30; it would be apparent in the fall. She warned that education had been underfunded and it would not be possible to keep up with cost increases without additional funding.

[10:37:36 AM](#)

RALPH WATKINS, HOONAH CITY SCHOOL DISTRICT, HOONAH, testified in support of the legislation. He said that he acted as the superintendent, principal, technology director, and middle school teacher for his district. He opined that he did not want to subject his students to a subpar education. He stressed the importance of funding education in the state. He detailed the various ways that his district had worked to find efficiencies and savings. He said that the way his district was currently functioning was unsustainable but there was no money to hire additional teachers. He said his school has a 33 percent Special Education population and no Special Education teacher.

Representative Wilson asked whether SB 185 would allow the district to hire a teacher for special education.

Mr. Watkins answered absolutely. He said that there were 15 retired teachers in Hoonah that would love to come back and teach, it would allow the school to fill the position and the middle school position.

Representative Ortiz asked whether it was relatively new that the superintendent had teaching responsibilities and was also the principal.

Mr. Watkins answered it was new and out of necessity. Alaska currently had 4 superintendent principals.

[10:41:59 AM](#)

THOMAS CLAAMEYER, PRESIDENT, ANCHORAGE EDUCATION ASSOCIATION, ANCHORAGE (via teleconference), testified in support of the bill. He was hopeful the improving economics would allow the legislature to increase the BSA. He stressed that kids were suffering and were losing educational opportunities necessary for a well-rounded education. The budget cuts were wearing on everyone involved in education. He provided examples of high classroom sizes. He noted that job opportunities outside Alaska were high. He hoped the legislature would help offer kids the education they deserved. He stated that early funding of education would provide stability in the school budget planning process.

Co-Chair Seaton asked whether the Anchorage Education Association was exploring travel for medical options outside Alaska.

Mr. Claameyer answered that members received their health insurance through the Public Education Health Trust and had been participating in Bridge Health, where quality care was provided outside the state, and in-state contracts for providing aftercare. He furthered that the members participated in TelaDoc for minor health issues. He said that members also participated in the Aetna network with preferred providers negotiating lower rates within the network. He stated that the trust had initiated a wellness program that offered incentives for members seeking to proactively reduce their healthcare incidents by living healthier lifestyles.

[10:48:30 AM](#)

Co-Chair Seaton wondered about a report on the success or cost savings of the various programs.

Mr. Claameyer would follow up with the information.

[10:49:14 AM](#)

MARY MCMAHON, ALASKA ASSOCIATION OF SECONDARY PRINCIPALS (via teleconference), testified in support of the

legislation. She expressed concern about teacher turnover rates in Alaska. She stressed that it was possible to solve the education funding problem if everyone worked toward a common goal. She stressed that public education was in a desperate place.

Vice-Chair Gara spoke about the lack of prospective teachers at job fairs. He asked whether the lack of commitment shown to teachers was impacting the declining number of prospective teachers.

Ms. McMahon answered absolutely. Her son had elected to go a different career route because of the lack of commitment shown to education.

Co-Chair Foster noted there was an amendment deadline of 9:00 a.m. the following day. He discussed housekeeping.

Co-Chair Foster CLOSED public testimony.

HB 339 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

[10:53:54 AM](#)

The meeting was adjourned at 10:53 a.m.