

**ALASKA STATE LEGISLATURE
JOINT MEETING
HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS
HOUSE EDUCATION STANDING COMMITTEE**

March 15, 2023

6:03 p.m.

MEMBERS PRESENT

HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

Representative Ben Carpenter, Chair
Representative Jamie Allard
Representative Tom McKay
Representative Kevin McCabe
Representative Cathy Tilton
Representative Andrew Gray
Representative Cliff Groh

HOUSE EDUCATION STANDING COMMITTEE

Representative Jamie Allard, Co-Chair
Representative Justin Ruffridge, Co-Chair
Representative Mike Prax
Representative Tom McKay
Representative Rebecca Himschoot
Representative Andi Story

MEMBERS ABSENT

HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

All members present

HOUSE EDUCATION STANDING COMMITTEE

Representative CJ McCormick

COMMITTEE CALENDAR

PRESENTATION(S): EDUCATION AND ALASKA'S ECONOMY

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

BOB GRIFFIN, Senior Education Research Fellow
Alaska Policy Forum
Anchorage, Alaska

POSITION STATEMENT: Co-presented the PowerPoint, titled "Alaska's Education Landscape."

SARAH MONTALBANO, Education Policy Analyst
Alaska Policy Forum
Anchorage, Alaska

POSITION STATEMENT: Co-presented the PowerPoint, titled "Alaska's Education Landscape."

ACTION NARRATIVE

[6:03:22 PM](#)

CHAIR BEN CARPENTER called the joint meeting of the House Special Committee on Ways and Means and the House Education Standing Committee to order at 6:03 p.m. Present at the call to order were: from the House Special Committee on Ways and Means, Representative Carpenter, McCabe, Tilton, Gray, and Groh; from the House Education Standing Committee, Representatives Prax, Himshoot, and Story; and representing both committees, Representatives Allard and McKay. Representative Ruffridge, from the House Education Standing Committee, arrived as the meeting was in progress.

PRESENTATION(S): Education and Alaska's Economy

[6:05:14 PM](#)

CHAIR CARPENTER announced that the only order of business would be a presentation on Education and Alaska's Economy.

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BOB GRIFFIN, Senior Education Research Fellow, Alaska Policy Forum (APF), co-presented the PowerPoint, titled "Alaska's Education Landscape" [hard copy included in the committee packet]. He provided an overview of the presentation which covered education comparisons between Alaska, Florida, and Mississippi. He stated that Florida and Mississippi were used because both states had passed legislation similar to the Alaska Reads Act. He continued that the presentation would also cover

a review of Alaska's K-12 funding; recommendations to the state's funding formula; data on the state's educational outcomes; educational choice and its fiscal benefit; and scenarios related to the Alaska Correspondence School Allotment (CSAP).

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MR. GRIFFIN moved to slide 3 to share trends in education results using data from the National Assessment of Educational Progress (NAEP). He reported that there were better results in 2022 than in 2019. He said that APF tracks results by economic strata. He expressed that the forum believes that "the brightness of a child's mind is not determined by skin color." He expressed concern that Alaska's eighth grade reading scores were ranked fifty-first in the nation.

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MR. GRIFFIN moved to slide 4 which shows a chart of NAEP fourth grade reading test scores from low-income students from across the country. The chart covers 2003 to 2022. He said that APF focuses on low-income students with the goal of closing achievement gaps. He further pointed to Mississippi's results and noted it was ranked second. He stated that when Mississippi had enacted legislation similar to the Alaska Reads Act, as well as legislation around school choice, the state evolved rapidly. He added that this is also the case for Florida. He shared that Oregon, ranked fourth in the nation in 2022, has classified all its students for free and reduced lunch. He pointed out that the free and reduced lunch students in Mississippi and Florida have outperformed all students in Oregon.

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MR. GRIFFIN moved to slide 5 and addressed the NAEP scores for Florida and Mississippi. Both states have had significant gains in eighth grade math NAEP scores since 2003. Furthermore, 2020 advanced placement (AP) course results in Florida showed that 34 percent of high school graduates passed at least one AP test with a score of 3 or higher, while in Anchorage, 14 percent of students passed one AP test with a score of 3 or higher.

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REPRESENTATIVE STORY questioned whether APF has tracked Florida and Mississippi's investment into early literacy. She expressed

the understanding that these states invest significantly into early learning for four-year-old students. She expressed the opinion that this would be a big factor in educational growth.

MR. GRIFFIN answered that both Florida and Mississippi have invested in and funded early literacy for a long time. He stated that Florida had added a reading program prior to implementing Pre-K, and it was the first in the nation in low-income fourth grade reading. He added that it is difficult to establish the impact of Pre-K; moreover, Pre-K was not the solution which moved Florida to number one in low-income fourth-grade reading.

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REPRESENTATIVE HIMSCHOOT, concerning the low-income fourth grade reading data, pointed out that the data for both Mississippi and Florida include a retention section for students who were held back a grade. She questioned the two states retention rates and noted retention is not a part of the Alaska Reads Act. She stated, "When we compare outcomes - apples to their apples - some of their apples are a year older and have a year more experience when they took the fourth grade NAEP."

MR. GRIFFIN responded that he does not have this data; however, he relayed that the retention rate in Florida has been stable, while it has jumped in Mississippi. He added the long-term effects have been overall positive, acknowledging there are varying schools of thought regarding student retention. He gave the example that some students may be damaged from retention, but conversely, low literacy may also damage the student's self esteem at a later age. In response to a follow-up question, he suggested that the difference in the AP success rate between Alaska and Florida stems from Florida's financial incentives provided for AP scores of 3 or higher. He expressed the opinion that incentives matter, and if the funding is tied to better outcomes, then students would achieve better outcomes.

[6:16:02 PM](#)

MR. GRIFFIN moved to slide 6 to present Alaska's overall 2022 NAEP test results compared to Florida's. He pointed out that Florida is doing well in literacy but struggles with eighth grade math students who are not enrolled in the free and reduced lunch program. He said in 2003, Alaska was six points ahead of Florida in eighth grade math students who were not enrolled in

the free and reduced lunch program, but in 2023 Alaska was behind Florida.

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MR. GRIFFIN moved to slide 7 to lay out the programs Mississippi and Florida have created related to school choice. He said these states serve 193,000 students with 7 programs. He highlighted Florida's Family Empowerment Scholarship program and explained that 90 percent of funding to this program is used to help special needs children attend private schools.

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MR. GRIFFIN moved to slide 8. He outlined Florida and Mississippi students who had the largest gains. This includes low-income students, minority students, students with disabilities, and students with limited English proficiency. He pointed out the Miami Dade Public Schools (MDPS) in Florida has 59 percent of students living in homes where English is not the only language. He expressed the understanding that, because of the outcome incentives provided in Florida, MDPS had 51,910 of juniors and seniors pass AP tests with a score of 3 or higher. He further explained that fourth grade NAEP reading scores from MDPS were 6 points higher than upper middle-income fourth graders in Alaska.

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MR. GRIFFIN, in response to a committee question, answered that Florida and Mississippi were chosen because of the good ranking in low-income fourth grade reading scores. He said that early literacy for low-income students is one of the fundamentals needed to close achievement gaps between different groups. He said that, because of these programs' success rates, they are important programs to emulate.

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REPRESENTATIVE MCCABE expressed doubt that the committee is meeting today to "poke holes" in Florida and Mississippi's education programs. He observed that Alaska's students are in the bottom 5 percent of all the NAEP data presented. He suggested that the two states were picked because they have moved up in NAEP rankings. He said that even if one were to pick states within the top 30, Alaska would still be failing by comparison despite the amount of state spending.

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MR. GRIFFIN, responding to a committee question, said that these states were chosen because they had also passed legislation like the Alaska Reads Act. He said the states also have various other factors, like strong school choice programs.

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REPRESENTATIVE HIMSCHOOT questioned whether a correlation or causation was drawn regarding the 32,602 students who passed AP tests with a score of 3 or higher.

MR. GRIFFIN answered that neither correlation nor causation is being assumed. He added that the figure may be an interesting correlation, but he would not assign causation to it. In response to a follow-up question, he stated there has not been a study conducted on this figure; it is just data without a causal link.

[6:23:17 PM](#)

MR. GRIFFIN stated that slide 10 shows a bar chart of 2022 NAEP fourth grade reading scores ranked by state and broken down between low-income and upper middle-income students. He moved to slide 11, which shows the 2021 K-12 spending per student, adjusted for price parity. He pointed out that the middle bar chart shows 2021 regional price parities between states, and the red arrow on the chart shows Alaska was at 104 percent of the national average. He noted that Florida is at 101 percent and Mississippi is at 86 percent. He said the chart on the right corrects for the regional price parities, which shows Alaska is in the upper one third of the rankings. He noted, despite all the education expenditures, Florida and Mississippi are ranked near the bottom in spending.

[6:25:24 PM](#)

MR. GRIFFIN, in response to a committee question, clarified that the middle bar chart reflects the adjustment for price parity based on a chart from the U.S. Bureau Economic Analysis, which determined that Alaska spent on average 4.5 percent and is ranked eighth in cost of living. He said the data within the chart on the right of the slide derives data from the chart in the center.

[6:27:10 PM](#)

REPRESENTATIVE STORY, drawing attention to the chart in the center of the slide, asked whether the data has been adjusted for geographic cost factors. She said that the Institute of Social and Economic Research University of Alaska Anchorage has done a study on these factors, and it shows that Alaska is 7 percent under the national average.

MR. GRIFFIN stated that the center chart does not account for geographic cost factors, and it does not account for the personal tax burden for residents in Alaska.

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MR. GRIFFIN, in response to Representative Allard, confirmed that the average cost per student in Alaska is \$20,484, and this is published by the National Education Association (NEA), whose statisticians make apples-to-apples comparisons for its members. He added that NEA has no vested interest in making one state look better or worse. He explained that the \$20,484 figure is for 2021 and based on the average daily attendance (ADA). He said it is a higher number than other states and stressed its importance, as it accounts for chronic absenteeism, as well as other variables which affect the number of students being educated. He expressed the opinion that cost would be driven higher by chronic absenteeism.

REPRESENTATIVE ALLARD commented on the amount the state spends on school funding. She noted that the funding for the base student allocation (BSA) is not the only source of funds schools receive. She questioned the factors which account for the \$20,484 figure.

MR. GRIFFIN responded that NEA tracks total costs and provides a satisfactory apples-to-apples comparison. He added that NEA publishes this data.

[6:30:23 PM](#)

REPRESENTATIVE GRAY pointed out on slide 10 that Delaware is ranked higher than Alaska in low-income fourth grade reading scores, while Delaware ranked lower than Alaska in upper middle-income fourth grade reading results. He commented that Delaware underwent teaching methodology reform in reading and had announced in 2019 greater efforts to address early childhood education. Using the spending data on slide 11, he pointed out

that Delaware spends slightly less than Alaska, as Delaware spends \$18,503 per student compared to Alaska's \$20,484 per student. He observed that Delaware has a small rural population and not many factors to drive up costs. He suggested that Delaware would be a good state to review.

MR. GRIFFIN answered that he will investigate making a comparison using Delaware.

[6:31:47 PM](#)

REPRESENTATIVE HIMSCHOOT expressed the understanding that when districts are understaffed and not able to provide paperwork on free and reduced lunch programs, the school would not stop feeding the students; it just does not have the paperwork on the low-income students. She questioned whether data shows that students on slide 10 are considered upper-middle income.

MR. GRIFFIN expressed the assumption that all states are equally motivated to ensure students who qualify for free or reduced cost lunches can apply for the program. He said that while it may not be a valid assumption, the differences are not dramatically different from state to state.

[6:33:00 PM](#)

MR. GRIFFIN moved to slide 12 and addressed K-12 spending increases. The chart spans from 2004 to 2022 and uses ADA data originating from NEA's report on ranking and estimates. He pointed out that Alaska is ranked around the national average, and it has moved down in ranking because of flat funding. He presented a chart of free and reduced lunch rates by state on slide 13, with Florida and Mississippi at the higher end of the chart. He moved to slide 14 and addressed rural Alaska's effect on school performance. He said the assumption has been that Alaska's poor performance is because of rural Alaska; however, he said that some rural schools in the state achieve exceptionally. Conversely, he pointed out that the five largest schools in the state are all ranked lower in performance in English language arts proficiency, and this is according to the most recent Alaska System of Economic Readiness (AK STAR) results. Answering a question from a previous committee meeting, he said that there is a correlation between a lower poverty rate city and higher performance. He commented that the state's five largest schools are slightly above the state average. He added that Alaska has the overall worst English language arts proficiency in the nation.

[6:35:12 PM](#)

MR. GRIFFIN moved to slide 15 which shows the annual estimates of people of color, by state, based on resident population. This data originated from the U.S. Census Bureau, and Alaska is ranked fifteenth with 38.1 percent people of color. He presented a graph on slide 16 which shows Alaska has a majority of minority students in its population. He said a similar shift has been happening across the country, and future generations will no longer identify as a single race. He said that the largest growing ethnicity in the U.S. are people who identify as two or more races.

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REPRESENTATIVE RUFFRIDGE referred to slide 12 regarding K-12 spending increases. He asked why the year range is 2014 to 2022. He expressed the understanding that the current foundation formula was created several years before the dates selected.

MR. GRIFFIN explained that the dates were selected because they are a baseline which APF uses year after year. The figures are cross referenced to NAEP test scores, and he explained that 2003 was the first year Alaska fully participated in NAEP testing.

[6:37:35 PM](#)

REPRESENTATIVE ALLARD referred to Alaska's students having high absenteeism and asked whether the length of the school day in the state had been investigated. She expressed the understanding that Alaska has the shortest school day in the country.

MR. GRIFFIN concurred that Alaska schools have one of the shortest total hours in a school year. In response to a follow-up question, he expressed the opinion that if students are in school longer, they would have more opportunity to achieve.

[6:39:02 PM](#)

MR. GRIFFIN, in response to a question from Representative Story, pointed out that poverty rates are different than free and reduced lunch rates. He asked if she is referring to free and reduced lunch rates in Juneau.

REPRESENTATIVE STORY expressed the understanding that free and reduced lunch is a significant factor towards determining poverty rates.

MR. GRIFFIN explained that free and reduced lunch rates would reflect the poverty rate, and for Alaska an additional 25 percent would be factored in. For example, in Anchorage, the free and reduced lunch rate is 50 percent, while the poverty rate is 9.1 percent.

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CHAIR CARPENTER expressed the understanding that the poverty rates presented are not the free and reduced rates based on community census.

MR. GRIFFIN answered that the presentation does not contain the chart which shows free and reduced lunch rates.

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MR. GRIFFIN, in response to Representative Groh, stated that the figures on slide 12 are presented in nominal dollars; however, the rankings would not change even if they were adjusted for inflation.

[6:42:02 PM](#)

MR. GRIFFIN returned to the presentation on slide 17 and addressed student diversity and poverty in Anchorage. He stated that the city is ranked the seventy-first of large U.S. cities, but one hundred and forty-seventh in overall diversity and one hundred and eighty-second in language diversity. Of the largest cities, Anchorage is ranked ninth on the list of lowest poverty ratings, while Miami is ranked sixteenth. The data is sourced from the U.S. Census Bureau and a Wallethub 2022 survey. He pointed out a pie chart on slide 18 showing a 2010 comparison of the entropy index in Anchorage with the rest of the U.S. He said a study published in 2014 found that Anchorage had the most diverse school districts in the country, and this was determined by using the entropy index data. He explained that the chart on the left of the slide is sourced from the study, titled "The Anchorage Mosaic: Racial and Ethnic Diversity in the Urban North." He compared the small Native populations in the entire U.S. with Alaska's larger Native population.

[6:44:12 PM](#)

REPRESENTATIVE ALLARD questioned whether the presentation is conveying that Alaska is not the most diverse in the country.

MR. GRIFFIN clarified that this would be a matter of perspective and technique for defining poverty. He said the technique the author had used established that out of 131,000 schools across the country, 27 of the 30 most diverse schools were in his hometown.

[6:45:12 PM](#)

MR. GRIFFIN, in response to Representative Ruffridge, stated that "the take home" of the presentation is that there are examples of programs worthy of emulating, which is why APF compared Alaska with Florida and Mississippi, and why the challenges of K-12 expenditures are addressed, along with the relative poverty of other states compared with Alaska. He remarked that while Alaska's challenges are "less" than other places, the state's educational outcomes are "not where we want them to be." In response to a follow-up request for clarification, he said that while Alaska has unique challenges, in the categories outlined in the presentation, the state's challenges are similar, equal, or "quite a bit less" than those in Florida and Mississippi. He further clarified that Alaska students are less diverse, "slightly less poor," and there is price parity in K-12 spending. He said spending per student and free and reduced lunch rates are both linked to student outcomes. He concluded that, as for Alaska's diversity, this is a topic which has been used to rationalize "dismal student outcomes."

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REPRESENTATIVE ALLARD expressed the opinion that the comparison between Alaska, Florida, and Mississippi is relevant. She offered the understanding that "there's no excuse," and Alaska should be higher in the education ranking. She asked Mr. Griffin to share his involvement with the Alaska Reads Act.

MR. GRIFFIN answered that he advocated and introduced the legislation in 2015 and again in 2022, the year it passed. He said the Act was based on other states which saw success with the same legislation.

[6:51:59 PM](#)

REPRESENTATIVE GRAY reverted to slide 12. He shared his understanding that over the last 15 years Alaska has had less of an increase in spending than the national average. In addressing poverty comparisons, he stated, "I just would think there are more people using honey buckets and outhouses in Alaska than in Florida and Mississippi." He suggested that the ways of measuring poverty may be different in Alaska.

MR. GRIFFIN responded that he can only speak to the available statistics.

[6:53:06 PM](#)

MR. GRIFFIN, in response to committee questions, answered that Mississippi and Florida funded their versions of the legislation through a process of determining which elements of spending were the most important. He answered that funding had been allocated to implement the enacted laws. He offered to research the investments in Florida and the rates of teacher retention there.

[6:54:41 PM](#)

SARAH MONTALBANO, Education Policy Analyst, Alaska Policy Forum, co-presented the PowerPoint, titled "Alaska's Education Landscape." She pointed to slide 19 and addressed the spending on education in Alaska. She said that per-pupil spending in Alaska was nominally \$18,313 in 2020, but estimates range up to \$21,000 when considering averages across districts. Alaska spent almost 50 percent more than the national average of \$13,494. She said that some figures may be misleading because per-pupil spending varies "wildly" between districts, with the highest being the Aleutian Region School District, which spent \$104,556 per pupil in the 2018 to 2019 school year. The lowest was the Galena City School District, which spent \$7,302 per pupil in the 2018 to 2019 school year. For urban reference, the Anchorage School District spent \$16,525 per pupil in the 2018 to 2019 school year. She reported that, between 2002 and 2020, Alaska's total education expenditures rose 32 percent per pupil after adjusting for inflation.

[6:56:45 PM](#)

MS. MONTALBANO moved to slide 19 and discussed data for the cost of living in the state. She said that a study by the Education Law Center found Alaska's combined state and local revenues, after adjusting for regional cost of living variations, funded more than \$2,000 per pupil, or \$17,544, which is above the

national average of \$15,446 in the 2019 to 2020 school year. She pointed to the chart from the study on the right of the slide showing that Alaska is one of the few states in the ranking which receives A and B grades exclusively in the different categories. She said that Alaska received an A for the distribution of funding going to high poverty districts. She explained that the red line on the chart depicts the increases in funding. She pointed out that many of the districts fall above the red line, while the districts below the line have a large correspondence school presence, such as the Galena School District and the Nenana School District. She reported that there were 57 percent more education expenditures in high poverty districts in 2020 than in low poverty districts; furthermore, low poverty districts were funded slightly less than the national average. She explained that Alaska is putting proportionally more of its gross domestic product (GDP) into education than the national average by 4.42 percent, as the national average is 3.5 percent. She said GDP declined 8 percent between 2008 and 2020, but K-12 funding increased 18 percent.

[6:59:15 PM](#)

MS. MONTALBANO moved to slide 21 to show a scatter plot on spending in school districts. With the lowest per-pupil spending at \$5,000 and the highest at \$40,000, she noted that some schools fall outside of the presented plot. The vertical axis of the graph represents the percentage of students' proficiency from the AK STAR exam, ranging from 10 to 90 percent in math and reading scores, with the average statewide score at 39 percent. She explained that the circles represent public schools, and the plus signs represent charter schools, and the size of the circle denotes enrollment size in the districts. Furthermore, green denotes the district has a lower poverty level, and orange and red denotes a higher poverty level. She pointed out that the Skagway School District has done the best on state standardized tests, with high spending compared to the other schools. In another example, she pointed to five charter schools in the upper left section of the plot that show they have low spending and high outcomes. She pointed to the circle drawn on the left of the plot which represents correspondence schools, with these having a higher student proficiency by 10 to 20 percent. She deduced that higher spending does not necessarily mean better outcomes.

[7:03:05 PM](#)

MS. MONTALBANO, in response to Representative Himschoot, explained that the source of the data is Georgetown Edunomics Lab, and the lab was using data from the AK STAR assessment. In response to a follow-up question, she confirmed that correspondence schools have a 15 percent participation rate in statewide testing.

[7:04:53 PM](#)

MS. MONTALBANO, in response to Chair Carpenter, explained the color gradients of green, yellow, and red on the scatter plot. The greener of the symbols denotes the lowest poverty of 0 percent, while the redder of the symbols denotes a 100 percent poverty rate. In response to a follow-up remark regarding economically disadvantaged families, she noted the chart also shows high spending and low outcomes; therefore, the chart shows a trend but does not prove a rule.

[7:07:29 PM](#)

REPRESENTATIVE STORY asked about the previous slide regarding cost of living. She referred to the comment that Alaska is putting proportionally more of GDP into education than the national average. She commented that the state should not use this as a metric because the price of oil sets the state's GDP based on a specific year. As an example, using 2016 to 2021, the high cost of oil in 2021 grew the GDP by 27 percent. She said that while the education investment from 2008 to 2020 may have increased 4.42 percent, the percentage would be much different if a different year range had been used. She asked if the Education Law Center chose the years on the slide.

MS. MONTALBANO answered that the 4.42 percent is from the 2019 to 2020 school year, and she said she will seek to verify this.

REPRESENTATIVE STORY cautioned using this metric.

[7:09:29 PM](#)

REPRESENTATIVE ALLARD questioned whether APF considered analyzing the practices of Alaska's charter schools. In example, some charter schools have uniform dress codes, a longer school day, different academics, and lottery enrollment.

MS. MONTALBANO answered that it is hard to disaggregate specific charter school practices and define a causality with the high

outcomes. She said that the main benefit of charter schools is they have different practices than public schools.

7:10:55 PM

REPRESENTATIVE MCCABE referred to Representative Himshoot's comment regarding a 15 percent testing participation rate for correspondence schools. He asked whether it has been assumed that the 15 percent of students who did not take the state test were the lowest performing students. He suggested that the cross section would be negligible.

MS. MONTALBANO explained that correspondence school students tend to opt out of AK STAR testing at a higher rate than public school students. She suggested that the data could indicate the state has an unrepresentative sample size, because the data presents that the best students are the ones taking the test. She said that it is also possible the data is a sampling of students whose parents do not mind the test; therefore, it would not be linked to the brightest of the correspondence school students. She noted that there is a low sample size of the correspondence school student population.

REPRESENTATIVE MCCABE said, "Conversely then, of course, it could be that they're the top 15 percent that just figure it's not worth their while to take the test and opt out of it as well." He suggested that the results would be statistically higher if the data separates the population via cross section.

MS. MONTALBANO deferred to the Alaska Department of Education and Early Development (DEED) on the issue. She expressed the understanding that the data is a middle sampling of all students.

7:13:12 PM

REPRESENTATIVE RUFFRIDGE inquired about the left side of the graph on slide 21. He asked if the vertical axis of the graph is supposed to be a proficiency percentage in math or reading.

MS. MONTALBANO explained that the performance percentage is an average of the two subjects in all grades across the state.

REPRESENTATIVE RUFFRIDGE expressed the understanding that, if the districts on the left are correspondence schools, a key component would be class size. He shared that his class size was two when he was homeschooled. He expressed the opinion that

data on the size of the class would help, as there is an economic association because the districts circled on the graph have a higher economic portfolio and possibly a smaller class size.

MS. MONTALBANO encouraged Representative Ruffridge to use the Georgetown Edunomics Lab tool and adjust the district enrollment size settings. She said that while it is not exactly data on school size, it would give perspective. Regarding class sizes, she expressed uncertainty whether this data is available in the tool. She offered to follow up with the committee.

7:15:56 PM

REPRESENTATIVE GRAY questioned the chart on slide 21, pointing out that most of the districts shaded red are below the average line, while the majority of the districts shaded green are above the average line. He said this implies that the major change the state needs to make would be to get the students out of poverty. He further pointed out that the correspondence schools on the chart are all green, which implies families with more money send their children to charter schools. He said this matter comes up in Anchorage frequently because, although anyone is eligible in the lottery system, there is no bus service; thus, the parents who can enroll students in a charter school would need to have the flexibility to provide transportation to and from school. He questioned whether all the charter schools on the chart are green.

MS. MONTALBANO called attention to several correspondence schools shaded orange in the lower left of the chart. She explained this means these schools would have lower outcomes along with lower spending. She noted that there are other districts shaded a lighter green elsewhere on the chart.

7:18:02 PM

REPRESENTATIVE MCCABE expressed the idea that charter schools are doing well because families must be able to afford these schools. He continued that this makes a great argument for school vouchers and suggested that if there were school vouchers and school choice, all students could be sent to charter schools and have a better outcome.

MS. MONTALBANO responded that the topic of school choice will be addressed later in the presentation. As for charter school education outcomes, she said APF has done studies showing that,

even when comparing apples-to-apples in income levels, low-income students in charter schools are performing better than low-income students in public schools. If more seats were open to the lottery, she expressed the opinion that expanding charter school opportunities would be a good idea.

7:19:36 PM

CHAIR CARPENTER expressed concern that his statements were misconstrued. He stated that he does not agree with spending more money on schools where economically disadvantaged people live, with the expectation of better results. He expressed the opinion that this is a good example of why joint meetings are held. He expressed the goal for the legislative session of ending the "squabbles" over funding and getting the economy going. He expressed the opinion that, in the case of an economically disadvantaged school, it would be the families who do not receive enough money, not the schools. He argued that economic growth policy decisions would have more impact on these families. He said there are many reasons why economically disadvantaged individuals may not be participating enough with their children, one of which is the parents are working all the time at a low-wage job. He suggested that instead of discussing the amount of money the state should parse out, members should discuss how the economy can grow for everyone.

7:21:30 PM

MS. MONTALBANO returned to the presentation on slide 22. She explained that the data for the estimate on K-12 spending is from NEA, and 2002 was used as the baseline because this is when NEA first began its estimates. She explained that the data looks at expenditures per-pupil by ADA. All expenses are considered current expenditures, excluding capital outlay and interest on school debt, which she said are highly variable from year to year. She said the blue bars represent current expenditures for its respective year per student and ADA. The gold bars represent current expenditures ADA would have been with adjustments upward for the annual urban Alaska consumer price index, non-seasonally adjusted. She added that the data for the annual rate originates from the U.S. Bureau of Labor Statistics.

MS. MONTALBANO pointed out the chart illustrates that from 2002 to 2008 Alaska saw inflation outpace school funding. She said that due to formula changes in 2008 to 2009, Alaska jumped to \$5,000, with the state's actual ADA staying well above 2002

inflation. This was until 2021, when Alaska was 22 percent higher than the inflation rate due to formula changes. She said that the black line on the chart represents fourth grade reading NAEP scores. The state received an average score of 212 in 2003 and 204 in 2020. She added that 10 score points equates to a year of educational attainment. She said that while education spending was increased during 2003 to 2020, eight points were still lost.

[7:24:25 PM](#)

MS. MONTALBANO moved to slide 23 to explain that over the same period of 2003 to 2020, school administration overtook teacher growth. She expressed the opinion that, while administration is important for school leadership, investing directly in high-quality teachers matters most for student performance. She pointed out that in 2021 there were four teachers for every five staff members performing other functions, which is the lowest ratio over this period. She stated that school district administrators grew 17.7 percent between 2008 and 2019, while the number of teachers declined by 5.8 percent. She noted that the funding formula adjustments were made in 2008. She related that a conventional explanation would be compliance costs, especially at the federal level, have increased; however, Alaska is not unique in administration growth, as the staff-per-student level doubled in the country in the 30 years from 1970 to 1999.

[7:25:57 PM](#)

MS. MONTALBANO discussed the state education funding formula on slide 24, explaining that the base student allocation (BSA) is the amount allocated to each student before adjustments to average daily membership (ADM), which is the enrollment average counted through 20 days in October of each year. She further explained that ADM adjustment factors include multipliers for school size, district cost, special needs, career and technical education, intensive needs, and correspondence school students. The formula is BSA times adjusted average daily membership (AADM) equals the basic need, and the basic need is paid in part by required local contributions [for an organized borough or municipality] and deductible federal impact aid, with the remaining paid by the state. She referred to the Citizen's Guide to K-12 Funding in Alaska, which relates that 63 percent of school district budgeted revenue is from the state. She added that this is unusually high when compared to the rest of the country, where typically around 47 percent is contributed by the state.

[7:27:27 PM](#)

MS. MONTALBANO, moving to slide 25, explained that BSA is not the only factor in education funding. She related that the aforementioned guide points out that without changes in the BSA since fiscal year 2008 (FY 08), changes in the adjustment factors would have increased K-12 funding by 34 percent. She explained that since 2008 inflation was 39 percent, and BSA rose 10.22 percent; thus, increases in adjustment factors plus increases in BSA would meet or exceed inflation. She outlined what is funded on top of the formula, as follows: one-time grants from the legislature, federal grants, state funded student transportation, voluntary local contributions from districts, state contributions to the Alaska Public Employees' Retirement System and the Teachers' Retirement System, school debt reimbursement, and the Regional Education Attendance Area Fund

[7:29:07 PM](#)

MS. MONTALBANO, moving to slide 26, expressed the opinion that Alaska's school choice options are not treated equally under the current funding formula. She related that students in a correspondence school allotment program are counted as 90 percent of BSA for the district under the foundation formula; however, these students are 16.5 percent of all Alaskan students; therefore, these schools account for less than 5.3 percent of total funding. She explained that the correspondence school student total is subtracted from ADM and multiplied by 0.9; therefore, families get about a \$2,500 allotment, which varies by school, but it is still less than half of the [public school] BSA of \$5,960. She pointed out that correspondence students with identified special needs are not given additional funding. She said Alaska's charter schools are given an amount proportionate to enrollment, but up to 4 percent of these costs are retained by the school district for administration. She expressed the opinion that charter capital and facilities are not funded fairly, but she said that charter schools do have right of first refusal in purchasing retired school district buildings. She explained that charter school construction, leasing, and maintenance grant programs are not currently being funded.

[7:31:28 PM](#)

REPRESENTATIVE STORY pointed to slide 23 and asked for the definition of "administration" in this context. She said DEED has reported that [funding] school district administrations is at 2 percent in Alaska.

MS. MONTALBANO explained that the data being used is from national statistics, and the links on the slide define school officials, administrators, and administrative support staff.

[7:32:47 PM](#)

REPRESENTATIVE STORY, in response to Chair Carpenter, answered that the 2 percent amount was presented to the House Education Standing Committee. She stated that she would follow up to the committee with this information.

[7:33:28 PM](#)

REPRESENTATIVE RUFFRIDGE questioned the quote on slide 25 attributed to Citizen's Guide to K-12 Funding in Alaska. He stated that he does not recall this statement.

MS. MONTALBANO answered that the quote came from the Legislative Finance Division in the 2023 version at the bottom of page 6.

[7:34:36 PM](#)

MS. MONTALBANO, in response to a query from Representative Himschoot, answered that Alaska is unique, especially with 19 school districts not in an organized borough or municipality and not making local contributions.

[7:35:27 PM](#)

REPRESENTATIVE PRAX referred to slide 25 and provided his understanding that it would have taken a specific statutory change to adjust the formula. The special needs factor, as an example, increases BSA by 20 percent per district. He said he does not recall any changes since FY 08.

MR GRIFFIN answered that the intensive-needs factor in FY 08 was 5; however, now it is 13.

REPRESENTATIVE PRAX expressed the understanding that intensive needs would go by the student, while special needs and career technical education applies to the whole school. He asked for more information regarding this side of the formula.

MS. MONTALBANO explained that more information about intensive-needs funding and changes to ADM will be offered later in the presentation.

[7:37:45 PM](#)

MS MONTALBANO, in response to a question from Representative McCabe regarding additional federal funding for unorganized boroughs, expressed uncertainty whether there is a net funding gain in rural districts. She said that the rural schools get more federal impact aid to offset the absence of property tax revenue on federal lands.

REPRESENTATIVE MCCABE shared his advocacy attempt to organize the unorganized boroughs. The argument against organization is it will cost the state more money if the boroughs are organized because the impact aid will be lost. He expressed the opinion that the county versus borough argument does not make sense.

[7:40:04 PM](#)

REPRESENTATIVE STORY shared that the state gets \$77 million in impact aid. Regarding the 90 percent correspondence student allotment, she said this is because the schools have access to brick-and-mortar school activities, classes, and special education services. She shared that in Juneau, the local school district is required to service special education and share services.

[7:40:52 PM](#)

REPRESENTATIVE RUFFRIDGE pointed to slide 25 and spoke to the adjustment factors since 2008 and asked if the only adjusted factor was intensive needs.

MS. MONTALBANO explained that there was a gradual increase in the intensive-needs factor, going to a multiple of 5 in 2008 to a multiple of 13 several years later. She said that the other change has been there was reinstatement of the hold harmless provision, which insulates school districts from changes in membership after adjusting for school size, which previously had a threshold of 10 percent enrollment loss.

[7:42:40 PM](#)

MS. MONTALBANO returned to the presentation on slide 27. She explained that Alaska's charter school laws are the third most restrictive nationwide. This is attributed to inequitable funding, administrative costs, as well as facilities and transportation funding. She explained that Alaska lacks multiple authorizers, making the local school district board the only place for a charter school to become authorized, whereas other states use statewide charter authorizing boards instead.

[7:43:29 PM](#)

MS. MONTALBANO moved to slides 28 and 29 to provide the following recommendations to improve the education funding formula: end incentives to keep inefficient facilities in large communities; end or increase the threshold for the hold harmless provision; incentivize improvement in outcomes; stop incentives to over identify intensive-needs students; count ADM across the year rather than a non-representative 20-day period in October; count correspondence students equally and allow eligibility for certain weights; and give correspondence students with intensive special needs a similar weighting.

[7:44:14 PM](#)

MR. GRIFFIN discussed a recommendation on slide 30 regarding bond debt reimbursement. He said that a loophole incentivizes large districts to maintain small and inefficient facilities. For example, the Anchorage School District has built out capacity to serve 53,000 students while projections and calculations show that the district will be at 37,000 students or less if charter schools do not grow by 2027, and yet the small facilities are kept open because of the loophole. He said that bond debt reimbursement should be allowed to continue but only for rapidly growing districts near capacity.

[7:45:28 PM](#)

MR. GRIFFIN moved to slide 31 and addressed recommended changes to the hold harmless provision. He said that the impacts were observed when districts "doubled-dipped" into COVID-19 relief funding, in that, the state is "essentially incentivizing schools to not work hard to keep parents in their programs." He continued that if the parents leave, the state is essentially paying the parents for not educating their children.

[7:46:04 PM](#)

MS. MONTALBANO moved to slide 32 to discuss the recommendation to incentivize outcomes. She shared that Tennessee overhauled its school funding formula in 2022, which provided for per-student bonuses based on the following: third grade English Language Arts (ELA) scores, fourth grade ELA growth, eighth grade math scores, American College Testing scores plus improvements from previous tests, and high schoolers graduating with industry credentials. Florida provides a 0.16 percent bonus to ADM for districts and a teacher-direct bonus for each high school student passing an AP exam with a score of 3 or higher. She expressed the opinion that Alaska should reward the schools getting results and incentivize behaviors for the desired results.

[7:47:36 PM](#)

MS. MONTALBANO moved to slide 33 and provided a recommendation on intensive-needs weighting. She compared that in FY 08 there were 1,877 intensive-needs students, and after AADM was implemented, this totaled 9,385. In FY 23 there were 3,282 intensive-needs students, and after AADM was implemented, this was calculated to 41,666. She said the 13 times multiplier is not representative of the actual costs of these students because Alaska lumps together students with disabilities, English language learners, and gifted and talented students.

[7:48:45 PM](#)

MS. MONTALBANO moved to slide 34 to provide recommendations on correspondence students. She expressed the opinion that correspondence students should also receive funding weights for special education and career and technical education (CTE). She argued that correspondence students with intensive needs should receive weights to their allotment like intensive-needs students in traditional district schools. In example, an allotment multiplier of 10 would allow parents to choose between providers, and while using the allotment the state would realize cost savings of three BSAs per intensive-needs student. She noted that Florida's Family Empowerment Scholarship Program lets parents choose private sector options or a public school outside of their zoned area, with up to 90 percent of state special education funding.

[7:49:42 PM](#)

MS. MONTALBANO moved to slide 35 to provide a recommendation regarding the state's school size funding multiplier. She

explained that schools which have under 20 students receive a flat multiplier of 39.6 for all students. She further explained that schools with more than 750 students are penalized with a 0.4 multiplier for every student above 750. She said that schools with students above 250 students are at the "tipping point," because the district receives less in ADM per additional student, rather than the actual number of students. She elaborated on the intent of the funding formula, which is to help rural districts with their costs. She stated that she does not doubt these costs, but pointed out that large school districts have incentives to exploit the formula in order to keep large inefficient facilities open. She said the median school size in Alaska is 177 students, which would have a weight of 1.08. She explained that the lowest tier multiplier with an enrollment of 1 to 20 students applies to 63 of Alaska's 513 schools, and there are only 26 schools weighted for having over 750 students. She suggested that one way to address this matter is to create a simple whole number weight for schools below 50 students and eliminate higher tiers, or, alternatively, districts above a certain number of students should not be eligible for the school size multiplier.

[7:51:46 PM](#)

MR. GRIFFIN moved to slide 36 and addressed the state's ADM. He relayed that Alaska has a rate of 29 percent of chronic absenteeism, which is the highest in the U.S. This is defined as when a student misses 15 days of school. He compared the funding formula to California, in that, California has a 12 percent chronic absenteeism rate. Furthermore, Los Angeles has a 13 percent rate while Kenai is at 33 percent. He suggested that there be a change in the ADM calculation to create attendance accountability. He explained that data suggests a budget based upon actual daily membership has lower rates of chronic absenteeism.

[7:52:49 PM](#)

MS. MONTALBANO moved to slides 37 and 38 and discussed the types of school choice. She explained that Alaska has traditional neighborhood public schools, public homeschooling, correspondence schools, independent homeschooling, private schools, public charter schools, and technical education schools. She noted that 32 states have programs which would allow funding to follow the student in 2023.

[7:53:26 PM](#)

MS. MONTALBANO moved to slide 39 and suggested that Alaska students benefit from choice. She said that according to Performance Evaluation for Alaska's Schools (PEAKS) data collected from 2017 to 2019, students in Alaska's charter schools performed better than students enrolled in Alaska's public schools, regardless of ethnicity, gender, or subgroup. She noted that Alaska scored the highest nationally for value-added learning gains in the Education Freedom Index (EFI) Charter School Ecosystem Rankings.

[7:54:04 PM](#)

MS. MONTALBANO moved to slide 39 and expressed the opinion that states benefit academically from school choice. She explained that, using the EFI, there is a positive and significant association between education freedom and outcomes in the form of higher NAEP achievement and gains in scores. She said that Alaska ranked forty-second on the 2000 EFI and dropped to forty-ninth in 2019. She moved to slide 41 and addressed the meta-analysis of school choice. She noted that most of the studies in the presentation attribute school choice as having a positive effect on academic performance and parental satisfaction. She moved to slide 42 and addressed the fiscal benefit from school choice. She shared that EdChoice estimated a per student savings of \$3,300 to \$7,500, or \$12.4 billion to \$28.3 billion in savings generated through FY 18 for the State of Arizona and local taxpayers from the state's education savings account. Furthermore, she said for each dollar spent on private choice programs, on average, EdChoice estimated fiscal savings of \$1.80 to \$2.85.

[7:55:47 PM](#)

MR. GRIFFIN moved to slide 43 and slide 44 and said Alaska's CSAP, with 20,927 students in FY 23 with 90 percent of the BSA, is the most popular choice program in the state. He showed slide 45, which displayed the overall expenditures of CSAP. He explained that statewide K-12 expenditures in FY 23 were \$2.103 billion, accounting for 126,553 children. He pointed out that non-correspondence students drive available per-student funds, providing \$18,852 per student. He said that there are 105,626 students in this category. Adjusted for 2022, districts received, per non-correspondence student, \$4,000 more in funding in FY 23 than in FY 05.

[7:56:45 PM](#)

MR. GRIFFIN stated that slide 46 presents hypothetical scenarios. He pointed out the scenarios on slide 47, which showed if the state were to restrict correspondence allotment, encourage correspondence allotment, or add an intensive-needs option. Returning to slide 45, he posed that if the state were to restrict correspondence schools entirely and put all 20,927 CSAP students back to the brick-and-mortar schools, the move would generate \$162 million in additional funding formula costs and a decrease of \$257 per year in overall student funding. Slide 48 shows the scenario that the state encourages correspondence schools, changing the CSAP allotment to a 1.215 BSA, which would raise the CSAP allotment to \$7,241. If CSAP enrollment increases to pandemic levels of 21.8 percent, the state would save \$87.6 million in the funding formula, and with the \$52.6 million increase in correspondence funding, the net savings would be \$35 million, and non-correspondence per student funding would go up to \$387.

[7:58:07 PM](#)

MR. GRIFFIN moved to slide 49 to discuss the state adding an intensive-needs option. Modeled after the Family Empowerment Scholarship program from Florida, if the state were to provide 10 times BSA for intensive needs for CSAP, and if 20 percent of intensive-needs families chose a CSAP provider, there would be \$13.7 million in annual savings to the funding formula. He suggested that this would also incentivize districts to be attentive to students and parents.

[7:58:37 PM](#)

MR. GRIFFIN concluded on slide 50 and outlined the takeaways from the presentation, which include: incentives matter; outcomes are on the rise but far from acceptable; improvement is within reach; if not focused, more money does not equate to better results; the state poorly allocates resources, spending money on buildings and bureaucracies; funding formula flaws divert resources from teachers and students; and Alaska's charter schools could be even better with fewer restrictions. He suggested that healthy competition improves outcomes and fiscal efficiency.

[7:59:30 PM](#)

REPRESENTATIVE RUFFRIDGE referred to slide 21 and recalled the discussion on class size. He offered the understanding that in

the early 2000s Florida had passed a constitutional amendment on school class size and funded the mandated size with over \$50 billion in the span of 20 years. He asked why class size had not been discussed during the presentation.

MR. GRIFFIN answered that APF is open to returning to a future meeting to discuss class size. He pointed out that despite Florida's spending increase, in order to reduce class size in schools, the state was able to keep its budget in a "pretty tight range" compared to Alaska.

[8:00:48 PM](#)

REPRESENTATIVE HIMSCHOOT commented that in the 1980s Finland's education system had "doubled down" on public education, and while it does not have school choice, the public education system has high outcomes.

MR. GRIFFIN said that, though Finland does not have school choice, a previous APF presentation had pointed out many of the other top ten performing districts in Western Europe are school choice countries. In response to a follow-up question, he explained that APF is a nonpartisan thinktank and is part of the State Policy Network, which includes about 70 other thinktanks across the U.S. He shared that he is a volunteer and is not familiar with the funding part of APF.

MS. MONTALBANO commented that APF does not accept any sources of government funding. She said that APF is a nonprofit, nonpartisan thinktank based in Anchorage.

[8:02:52 PM](#)

REPRESENTATIVE HIMSCHOOT questioned Mr. Griffin's idea for a solution to the problem which is not solved by buttressing Alaska's public schools.

MR. GRFFIN answered that the presentation has pointed out statistics which show Alaska is doing poorly on issues the state would like to do better on. Furthermore, he pointed out examples of places which do educationally well with fewer resources. He referred to slide 50 and reiterated that incentives matter, healthy competition improves outcomes, and fiscal efficiency has a strong correlation.

[8:03:54 PM](#)

REPRESENTATIVE ALLARD commented that, as a person with children enrolled in a school district, she appreciated the presentation. She said that Mississippi and Florida are shown to be successful, especially with implementing their own versions of the Alaska Reads Act. She expressed that now she understands that economic growth is directly tied to the education system.

[8:05:09 PM](#)

REPRESENTATIVE GRAY expressed appreciation that slide 12 showed that from 2004 to 2022 the state's spending increase for education was less than the national average. Also, looking on slide 22, he expressed the understanding that the national average score for the nation was higher than the score in Alaska. He offered the overall understanding of the presentation that education is not doing well in Alaska, and other states are doing well with less; therefore, instead of spending more money, Alaska should do as Florida. He continued that Alaska has not met the national average in NAEP scores; however, he questioned whether the money should be cut like when outcomes are going badly in other industries. He gave the example: if crime goes up in a city, the state should not give the police more money until crime goes down. He argued that this is the presentation's message. He said that in the face of lowering test scores, the state should give to the issue to improve education outcomes. He expressed the opinion that the presentation is suggesting charter schools or options from other states. He stressed that hiring and attracting teachers in Alaska, as well as getting better outcomes, will require money. He questioned whether it has been suggested that Alaska would not need more money to raise the average test scores.

MR. GRIFFIN stated that Alaska has poorly allocated K-12 resources, and by retargeting the money and incentivizing better outcomes, it is possible [to improve outcomes] without much of an increase in spending.

CHAIR CARPENTER pointed out on slide 50 that none of the takeaways call for a decrease in funding.

MR. GRIFFIN responded that he has not advocated or endorsed reducing spending in K-12 education.

[8:08:46 PM](#)

REPRESENTATIVE GRAY referred to the comment that APF is a nonpartisan entity and listed associated networks: The Goldwater

Institute, Americans for Prosperity, the American Conservative Union Foundation, Americans for Tax Reform, the Cato Institute, and the Charles-Koch Institute. He expressed the opinion that these entities are not nonpartisan. He questioned whether the presentation should be considered nonpartisan.

[8:09:41 PM](#)

CHAIR CARPENTER commented that there are plenty of organizations which fall into the Internal Revenue Service's (IRS's) definition of "partisan," and each member will have an opinion on this. Furthermore, each member is going to have an opinion whether one's activities fall into another's political beliefs; however, APF fits the IRS's definition of nonpartisan. He argued that APF has expressed it is nonpartisan and has met the requirements of the IRS in this status. He said that APF is not a political party and is not advocating for a solution for which a political party is advocating. He continued that APF's partisanship status has nothing to do with the presentation.

REPRESENTATIVE GRAY thanked Chair Carpenter for the definition of nonpartisan and apologized for the comment.

[8:10:54 PM](#)

REPRESENTATIVE MCCABE, concerning slide 12, expressed the understanding that an increase in spending would not be an increase in total spending, rather the amount of the increase. He expressed uncertainty that class size would be relevant; however, he welcomed the discussion. He spoke about a fraction of BSA being spent on educating students and opined that a better way to increase student outcomes may be by increasing teacher pay. Furthermore, he argued for a recall of a repealed 2016 law, which had mandated that 70 percent of school funding go to funding teachers.

[8:13:03 PM](#)

REPRESENTATIVE STORY expressed her concern for intensive-needs funding and requested that DEED should speak on this.

CHAIR CARPENTER concurred.

[8:14:46 PM](#)

REPRESENTATIVE GROH offered the understanding that Representative McCabe is suggesting that teacher compensation

should be increased, and he added that defined benefits for teachers should also be investigated.

[8:15:20 PM](#)

REPRESENTATIVE PRAX spoke about the Fairbanks North Star Borough School district, and its increase in correspondence school attendance, and the importance of having a discussion about allowing parental choice.

CHAIR CARPENTER said he has had similar discussions with administrators in his district but has not received an answer.

[8:16:43 PM](#)

REPRESENTATIVE STORY shared that the Juneau School District has the Tlingit Culture Language Literacy program, Montessori, Charter School, Homebridge, and the neighborhood schools. She said that, according to DEED, a statistic shows 83 percent of students are in brick-and-mortar schools, with 17 percent are in correspondence schools.

[8:17:19 PM](#)

REPRESENTATIVE PRAX commented that another matter APF should investigate is the Molly Hootch Case [Tobeluk v. Lind, 589 P.2d 873 (1979)]. He expressed the understanding that this case drives Alaska school system spending.

[8:17:45 PM](#)

REPRESENTATIVE MCCABE stated that discussions with school administrators have related that 74 percent of school funding goes to instruction. He said that the current definition of "instruction" includes all the buildings in Kodiak and Mt. Edgecumbe, for example, as well as the administrative costs. He stated that he has sent a request to have the costs broken down to understand the funds schools receive but has yet to receive a reply. He also brought up the subject of false report cards.

[8:19:04 PM](#)

MR. GRIFFIN, regarding 17 percent of parents enrolling their children in correspondence programs, expressed the opinion that it is easy to put a child on a bus and later pick the child up. He said the fact Alaska has a large percentage of parents "doing the hard thing" sends a strong message.

[8:19:31 PM](#)

MS. MONTALBANO referred to a study by EdChoice, which she summarized as "what parents desire is not always what they are able to do." She explained that when there are more choice options, parents are able to utilize those options better, and behaviors would align with preferences. She said the biggest takeaway from today's presentation is that incentives matter. She said the presentation has shown examples of how other states have changed funding formulas to reward the desired results. She clarified that this does not mean the state needs to spend less overall, but rather to target funding to improve outcomes. She voiced that it is a "travesty" many of Alaska's students are not at a basic level in reading proficiency, and APF supports 100 percent of students reaching 100 percent potential.

[8:21:02 PM](#)

ADJOURNMENT

There being no further business before the committees, the House Special Committee on Ways and Means and House Education Standing Committee meeting was adjourned at 8:21 p.m.