

**ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE**

February 8, 2023

3:30 p.m.

MEMBERS PRESENT

Senator Löki Tobin, Chair
Senator Gary Stevens, Vice Chair
Senator Jesse Bjorkman
Senator Jesse Kiehl
Senator Elvi Gray-Jackson

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 14

"An Act relating to reemployment of persons who retire under the teachers' retirement system as mentors; relating to retirement incentives for members of the defined benefit retirement plan of the teachers' retirement system and the defined benefit retirement plan of the Public Employees' Retirement System of Alaska; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 52

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

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 14

SHORT TITLE: RIP FOR PUBLIC EMPLOYEES/TEACHERS

SPONSOR(S): SENATOR(S) KAWASAKI

01/18/23	(S)	PREFILE RELEASED 1/9/23
01/18/23	(S)	READ THE FIRST TIME - REFERRALS
01/18/23	(S)	EDC, L&C, FIN
02/03/23	(S)	EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/03/23	(S)	-- MEETING CANCELED --

02/08/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)

BILL: SB 52

SHORT TITLE: INCREASE BASE STUDENT ALLOCATION

SPONSOR(s): EDUCATION

02/01/23 (S) READ THE FIRST TIME - REFERRALS
02/01/23 (S) EDC, FIN
02/01/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/01/23 (S) Bills Previously Heard/Scheduled
02/03/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/03/23 (S) -- MEETING CANCELED --
02/08/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR KAWASAKI, District D
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Sponsor of SB 14.

JOE HAYES, Staff
Senator Scott Kawasaki
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented the sectional analysis on SB 14.

DOUG WOOLIVER, Deputy Director
Office of the Administrative Director
Alaska Court System
Anchorage, Alaska
POSITION STATEMENT: Testified by invitation on SB 45.

MICHAEL MASON, Staff
Senator Loki Tobin
Alaska State Legislature
POSITION STATEMENT: Introduced SB 52.

HENRY BURNS, Principal
Seward High School
Seward, Alaska
POSITION STATEMENT: Testified in support of SB 52.

JENNIFER DESERMIA, representing self
Seward, Alaska
POSITION STATEMENT: Testified in support of SB 52.

MEGAN MILLER, Drama Adviser
Kenai Peninsula Borough School District
Seward, Alaska
POSITION STATEMENT: Testified in support of SB 52.

ALEX WERTHEIMER, representing self
Juneau, Alaska
POSITION STATEMENT: Testified in support of SB 52.

SENATOR SHELLEY HUGHES, representing self
Juneau, Alaska
POSITION STATEMENT: Testified in support of SB 52 with concerns.

LEM WHEELS, representing self
Anchorage, Alaska
POSITION STATEMENT: Testified in support of SB 52.

BRANDY HARTY, representing self
Fairbanks, Alaska
POSITION STATEMENT: Testified in support of SB 52.

BARBARA TYNDALL, representing self
North Pole, Alaska
POSITION STATEMENT: Testified in opposition to SB 52.

KELLY NASH, representing self
Fairbanks, Alaska
POSITION STATEMENT: Testified in opposition to SB 52.

MARGRET MULLINS, representing self
Delta Junction, Alaska
POSITION STATEMENT: Testified in opposition to SB 52.

MELISSA BURNETT, Member,
Fairbanks North Star Borough Board of Education
Fairbanks, Alaska
POSITION STATEMENT: Testified in support of SB 52.

JENNA FABIAN, Principal
Nikiski North Star Elementary
Kenai, Alaska
POSITION STATEMENT: Testified in support of SB 52.

LON GARRISON, Executive Director
Association of Alaska School Boards
Juneau, Alaska
POSITION STATEMENT: Testified in support of SB 52.

SENATOR SHOWER representing self
Juneau, Alaska

POSITION STATEMENT: Testified in support of SB 52 with concerns.

ACTION NARRATIVE

[3:30:49 PM](#)

CHAIR LÖKI TOBIN called the Senate Education Standing Committee meeting to order at 3:30 p.m. Present at the call to order were Senators Gray-Jackson, Bjorkman, Stevens, Kiehl, and Chair Tobin.

SB 14-RIP FOR PUBLIC EMPLOYEES/TEACHERS

[3:31:42 PM](#)

CHAIR TOBIN announced the consideration of SENATE BILL NO. 14 "An Act relating to reemployment of persons who retire under the teachers' retirement system as mentors; relating to retirement incentives for members of the defined benefit retirement plan of the teachers' retirement system and the defined benefit retirement plan of the Public Employees' Retirement System of Alaska; and providing for an effective date."

[3:32:43 PM](#)

SENATOR SCOTT KAWASAKI, District D, Alaska State Legislature, Juneau, Alaska, provided the sponsor statement on SB 14 as follows:

[Original punctuation provided.]

"An Act relating to reemployment of persons who retire under the teachers' retirement system; relating to retirement incentives for members of the defined benefit retirement plan of the teachers' retirement system and the defined benefit retirement plan of the Public Employees' Retirement System of Alaska; and providing for an effective date."

Senate Bill 14 would implement a temporary, voluntary Retirement Incentive Program to increase state savings by allowing public employees to retire up to three years early and to set in statute a way for a school district to rehire retired educators through a 12-month contract. Long-serving public employees are among the highest paid in the state. In many cases, pensions paid to retiring employees would cost the

state less money than their current salaries. Providing high-salaried employees with the option to retire early would save Alaska money through lower personnel costs.

SB 14 could also help prevent layoffs. The bill presents a method of cost-cutting and payroll reduction without forcing anyone out of the workforce before they are ready to retire. This gives the State of Alaska the opportunity to reduce operating costs by opening vacancies that enable the placement of more junior employees. Retirement incentive programs are regularly used in the private sector to efficiently control personnel costs through market incentives rather than heavy-handed layoffs.

Retirement Incentive Programs have been used on a temporary basis three times in Alaska's history and was last proposed in 2004. In 1986, Senator Jim Duncan estimated savings at approximately \$25 million. A Legislative Audit of the 1989 Retirement Incentive Program demonstrated a savings of \$22.9 million with nearly 1,764 individual participants. In 1996, Rep. McGuire calculated the state gained \$41 million in savings through identical legislation.

Senate Bill 14 is an innovative policy option for state agencies, municipalities, and school districts to consider as a means to reduce payroll costs without layoffs.

[3:37:18 PM](#)

JOE HAYES, Staff, Senator Scott Kawasaki, Alaska State Legislature, Juneau, Alaska, presented the sectional analysis on SB 14 as follows:

[Original punctuation provided.]

"An Act relating to reemployment of persons who retire under the teachers' retirement system; relating to retirement incentives for members of the defined benefit retirement plan of the teachers' retirement system and the defined benefit retirement plan of the Public Employees' Retirement System of Alaska; and providing for an effective date."

Section 1: Defines the purpose and intent of the bill.

Sec. 2 - AS 14.20.136(a), Page 2, Lines 5-10

Is amended to update the statute under which members (individuals who are eligible to participate in the retirement plan and are covered by the plan) are retired - from AS 14.25.110(a) to AS 14.25.110.

Sec. 3 - AS 14.20.136(f), Page 2, Lines 11-17

Is amended by adding a new subsection AS 14.20.136(f)(2) to specify that (c), (d), and (e)(1) of this section do not apply to the rehire of a member who is paid by the hour to mentor teachers who have taught for fewer than four years. (c), (d), and (e)(1) require, in other circumstances, that the school district describe a shortage before rehiring retired members, publicly advertise the position, make contracts for no longer than 12 months, and provide the administrator with related documentation.

Sec. 4 - AS 14.25.043(f), Page 2, Lines 18-27

Is amended to update the statute under which members are retired from AS 14.25.110(a) to AS 14.25.110.

Sec. 5 - AS 14.25.043(g), Page 2, Lines 28-31, Page 3, Lines 1-4

Is amended to update the statute under which members retire to specify that this subsection, which allows for retired and reemployed members to receive group health plan coverage, does not apply to retired members who are rehired and paid by the hour to mentor teachers who have taught for fewer than four years.

Sec. 6 - AS 14.25.070(a), Page 3, Lines 7-13

Is amended to clarify that each employer shall contribute to the retirement system 12.56 percent of all base salaries paid to active and retired members who are eligible to receive group health plan coverage, which does not include retired

members who are rehired and paid by the hour to mentor teachers.

Section 7: Page 3- 6 Lines 15- 24

Defines who are eligible to use the retirement incentive program under the legislation. Employer's may limit the program to specific components, job classifications, geographic location, or a combination of the three.

Section 8: Page 6 - 7 Lines 25 - 12

Requires interested eligible state employees must be employed for at least 12 months prior to application to an approved RIP. Prohibits executive branch employees from participating in a RIP.

Section 9: Page 7, lines 15 - 21

Authorizes certain University of Alaska employees who are members of PERS or TRS may participate in a RIP under the appropriate requirements for their defined benefit retirement program established under this bill.

Section 10: Page 7 - 8, Lines 25 - 2

Is amended to give specify benefit cannot be enacted under this bill until an agreement is executed with the administrator that authorizes the employee to participate in the RIP. Allows the legislature to change a RIP as it relates to employees for whom an agreement has not been executed.

Section 11: Page 8, Lines 5 - 10

Is amended to add a new section which allows the commissioner to adopt regulations to implement and interpret the Act.

Section 12: Page 8 - 9, Lines 13 - 12

Provides definitions of administrator, employer, OMB, PERS, TRS, public organization and state

agency for purposes of the Act established under this bill.

Section 13 - Sec. 18: Pages 8-12

Is amended to update referenced section numbers.

Sec. 19 - Page 12, Lines 15-16

Is Amended to say Sections 1 - 18 of the acts applies to contracts entered on or after the effective date of the legislation.

Sec. 20 - Page 12, Line 17

Is amended to specify that the only sections 1 and 7-17 are repealed on July 1, 2026. The teacher mentoring provisions remain in effect.

Sec. 21 - Page 12, Line 18

Provides an immediate effective date under AS 01.10.070(c).

[3:41:52 PM](#)

CHAIR TOBIN noted Senator Shower was in attendance.

[3:42:00 PM](#)

SENATOR GRAY-JACKSON asked if municipal employees would be eligible.

[3:42:15 PM](#)

MR. HAYES replied that public sector employees would be eligible for the program.

[3:42:31 PM](#)

SENATOR STEVENS opined that it is concerning to replace senior professors with inexperienced hires. He asked whether the goal of SB 14 is to save money or get the best teachers.

MR. HAYES replied that the governor had implemented budgets forcing organizations to terminate employees. Generally, new employees were the individuals let go. SB 14 offers agencies another tool in their toolbox by allowing employees close to retirement an opportunity to retire early, allowing newer employees to remain. No agency would have to apply the incentives in SB 14.

[3:44:03 PM](#)

SENATOR STEVENS asked if SB 14 allows older teachers to retire early and return to teaching.

MR. HAYES said that the Department of Labor and Commerce chairperson added the provision last year to incentivize teachers to mentor new teachers. Senator Kawasaki decided to leave the provision in SB 14.

[3:44:51 PM](#)

SENATOR GRAY-JACKSON asked how the retirement provision would address the retirement age of various tiers.

MR. HAYES said every tier has the ability for early retirement if the employee can pay the percentage required. SB 14 requires an employee to be at least 50 years old, with at least 17 years of service.

[3:46:00 PM](#)

SENATOR KIEHL stated a clause in SB 14 allows the Personal Employee Retirement System and Teachers Retirement System (PERS and TRS) administrator to withdraw approval of retirement incentive pay (RIP) if it would actuarially harm the fund. He asked if it is also a requirement for approving RIP.

MR. HAYES reiterated that SB 14 is just a tool. He replied that agencies must decide who can apply. For example, if an agency considers a deputy director too valuable to retire, that person would not be allowed to retire. However, a senior employee might be able to, provided the employee was outside the executive branch.

[3:47:20 PM](#)

SENATOR KIEHL said the Division of Retirement and Benefits (DRB) approves RIPS for school districts. He asked how a DRB employee would know whether a school district could fill specific jobs. He opined that it would be difficult for the head of DRB to know the answers to the concerns of school districts, such as the reasonable chance of filling a position.

[3:48:11 PM](#)

MR. HAYES replied that before it reaches the state level, the assumption is school districts, working with the school boards, would decide what positions could retire early. They would select the provisions necessary to hire someone to fill the

position. Local government would make the decision and carry it forward.

[3:48:54 PM](#)

SENATOR STEVENS asked how the University of Alaska and school districts have responded to SB 14.

MR. HAYES replied that the University of Alaska had yet to respond, and school districts have had a mixed response. Although some school districts like having another tool in their toolbox, others fear needed teachers will retire. Yet, school districts control the retirement eligibility mechanism. He stated he continues explaining SB 14 to those districts that are uncertain.

[3:50:02 PM](#)

DOUG WOOLIVER, Deputy Director, Office of the Administrative Director, Alaska Court System, Anchorage, Alaska, stated the court system offered a retirement incentive program in FY 17 as a money-saving tool. The agency did not have the authority to offer early retirement, which would require statutory change. Instead, it offered severance pay. If an employee worked for the court system for a minimum of 10 years and was eligible to retire for at least three years, the employee would receive three months of salary as an incentive to quit. There were 28 eligible employees, making it easy to determine whether valuable people would be lost. Fourteen people accepted the severance package. The agency knew it could easily fill some positions and not fill others. The first year was a saving of \$680,000. The amount of savings decreased each year as employees' steps increased. It was a successful program used during tough budget years.

[3:52:41 PM](#)

SENATOR KIEHL said he understood the reason for the ten-year service requirement but asked for an explanation of the three-year retirement eligibility requirement.

MR. WOOLIVER replied that it was to encourage eligible people to retire.

[3:53:37 PM](#)

SENATOR KIEHL responded that people could have been encouraged to retire one month after eligibility. He asked why the agency chose three years instead.

MR. WOOLIVER replied he was unsure why the agency chose three years except that people eligible for three years had probably been considering retirement. Also, the agency looked at how years of retirement eligibility affected participation numbers to manage the loss of long-term employees. It is a balance between saving money and keeping experienced employees.

[3:54:40 PM](#)

CHAIR TOBIN held SB 14 in committee.

[3:55:05 PM](#)

At ease.

SB 52-INCREASE BASE STUDENT ALLOCATION

[3:56:41 PM](#)

CHAIR TOBIN reconvened the meeting and announced the consideration of SENATE BILL NO. 52 "An Act relating to education; increasing the base student allocation; and providing for an effective date."

[3:57:32 PM](#)

MICHAEL MASON, Staff, Senator Loki Tobin, Alaska State Legislature, Juneau, Alaska, introduced SB 52 on behalf of the Senate Education Committee as follows:

[Original punctuation provided.]

Senate Bill 52

Senate Bill 52 is a 4-line bill that would add \$1,000 to Alaska's Base Student Allocation.

- This committee chose the Base Student Allocation as the mechanism to increase education funding in Alaska because of its simplicity.
- But more importantly, an increase to the BSA benefits every student and every school in Alaska.
- During public testimony on the issue of education funding this Committee heard repeatedly that a large BSA increase will breathe new life into Alaska's struggling public education system.

I want to take a few moments to explain why Senate Bill 52 was written the way it is.

- If you look at the sectional analysis for the bill there is some slightly unusual language for a piece of legislation.
- The short explanation is that SB 52 is an amendment to the Alaska Reads Act that was passed and signed into law last year.
- If you remember, the Alaska Reads Act included a \$30 increase to the Base Student Allocation that takes effect at the start of Fiscal Year 2024 on July 1, 2023.
- Currently, the BSA stands at \$5,930 per eligible student.
- As a result of the Alaska Reads Act, the BSA will increase by \$30 to \$5,960 on July 1.
- Senate Bill 52 would further increase the BSA by \$1,000 up to \$6,960.
- SB 52 mirrors the effective date of BSA increase in the Alaska Reads Act so the additional \$1,000 increase to the BSA would take effect on July 1, 2023.

If you look at the fiscal notes for SB 52 you will see that the funding mechanism for the BSA increase is a general fund transfer to the Public Education Fund (PEF).

- The fiscal note prepared by DEEDs School Finance Division includes a breakdown of how much additional funding Alaska's school districts will receive if SB 52 is passed and signed into law.
- The Anchorage School District would see an increase of over \$73 million.
- The Fairbanks North Star Borough School District would receive over \$23.8 million in additional funding.
- The Kenai Peninsula Borough School District, which would receive an additional \$17.2 million dollars.
- The Mat-Su Borough School District would receive over \$35.4 million in additional funding.
- Sen. Stevens represents the Kodiak Island Borough School District, which would receive an additional \$5.25 million.

Over the past couple of weeks, this committee has heard compelling testimony that flat funding and inflationary pressures are degrading public education in Alaska.

- Parents and students are dealing with fewer education programs, staff shortages, and even the prospect of school closures.
- In addition to the inability to recruit and retain teachers, the Senate Education Committee heard testimony that there are 700 vacant school support staff positions statewide.

Inflation

Funding for public education has not kept up with inflation.

- On January 27, the Senate Education Committee heard a detailed presentation from researchers with the University of Alaska's Institute of Social and Economic Research.
- In 2019, Alaska spent less per pupil on public education than the national average when spending is adjusted for inflation and the cost of living.
- The Base Student Allocation (BSA) has been largely unchanged for years.
- The BSA has gone up by only 4.2% since 2012. (*\$250 increase*)
- Since 2012, costs are up 24% due to inflation.

The BSA Increase is a Policy Choice

Senate Bill 52 represents a policy choice by the members of this committee and, hopefully, the larger Alaska State Legislature to help Alaska's public schools address years of increasing costs.

- Legislative Finance estimates the cost of a \$1,000 BSA increase at \$257.1 million.
- Sen. Tobin and others believe that a \$1,000 increase to the Base Student Allocation is a

fiscally responsible investment in public education.

[4:02:28 PM](#)

At ease.

[4:02:45 PM](#)

CHAIR TOBIN reconvened the meeting.

CHAIR TOBIN stated the committee understood the content of SB 52 and would forego the sectional analysis. She asked for an overview of the fiscal notes.

[4:03:07 PM](#)

MR. MASON replied that SB 52 has two fiscal notes. Fiscal note OMB 141 is from the Department of Education and Early Development, and the allocation is the foundation program. He provided the following summary:

[Original punctuation provided.]

SB52 will increase the Base Student Allocation (BSA), under AS 14.17.470, by \$1,000 in the public-school funding formula. The BSA will change from \$5,960 to \$6,960 in FY2024 resulting in a \$257 million increase in funding to districts.

This bill takes effect July 1, 2023 (FY2024).

The funding mechanism is a general fund transfer to the Public Education Fund (PEF). The fiscal note effect for FY2024 through FY2029 is reported in the fiscal note for the PEF, as the funding is deposited to the PEF, not into the Foundation Program funding component. The above analysis is presented here for explanation purposes only.

MR. MASON stated the second fiscal note, OMB 2804, is like the first. The increased funding to districts in FY 24 is \$27.1 million and will remain the same through FY 29.

[4:06:36 PM](#)

CHAIR TOBIN opened public testimony on SB 52.

[4:06:53 PM](#)

HENRY BURNS, Principal, Seward High School, Seward, Alaska, testified in support of SB 52. He stated that if the BSA remained the same, he would have to cut staff, which would mean 75 percent of elective classes and 80 percent of career and technical education programs. School funding is a critical issue affecting the quality of education and children's futures. Adequate funding of schools is necessary to ensure students have access to programs they need to succeed. School funding is essential for the following reasons:

Providing necessary resources
Improving teacher quality
Closing the achievement gap
Preparing students for the future

Increasing the BSA is crucial so every student can access a quality education.

[4:08:51 PM](#)

SENATOR STEVENS asked Mr. Burns if not receiving an increase to the BSA would affect the school district's teacher-student ratio.

MR. BURNS replied that it would add 3-5 children per class.

[4:09:29 PM](#)

JENNIFER DESERMIA, representing self, Seward, Alaska, testified in support of SB 52. She said she has children in public school and is speaking for the Seward PTA. She said that if the legislature does not increase the BSA, Seward schools will lose 1.5 teaching positions at the elementary and middle school and one at the high school. Also, the high school could not rehire its art teacher. She opined that the cuts are drastic because they eliminate most electives and some core classes. Seward residents want students to have a quality education. Money needs to be put into education now for the sustained support of Alaska's communities in the future. More parents are choosing to homeschool their children. Hiring and retaining teachers is difficult because the school district must receive its budget earlier. An increase in the BSA has not occurred since 2015. In addition to supporting the BSA, she said she also supports forward funding.

[4:12:23 PM](#)

MEGAN MILLER, Drama Adviser, Kenai Peninsula Borough School District, Seward, Alaska, testified in support of SB 52. She stated that drama club students are putting on a play with money

from fundraising and grants. It is the first production in two years. Providing funding for the arts demonstrates to students that the state believes in them and sees them. The state silences students when it takes away what they care about. Students have seen many things start only to be taken away over the last three years. The state can rebuild students' faith through consistent funding. Art, music, and drama must return to schools with challenging skill requirements. Teacher recruitment and retention for all subjects must be a priority.

4:16:02 PM

ALEX WERTHEIMER, representing self, Juneau, Alaska, testified in support of SB 52. He stated that he has a son and daughter who graduated from high school 20 - 30 years ago. His daughter attended the University of Alaska and now works as a school counselor in Juneau. He said he would like his granddaughters to have the same quality opportunities that his children experienced. Flat funding and inflation have devastated the efficacy of Alaska's constitutional mandate to provide for schools. He said class sizes are increasing, schools cannot recruit and retain teachers and support staff, and school closures are imminent. He opined that an increase of \$1000 will only partially account for the effects of inflation, but it is a great start.

4:17:48 PM

SENATOR SHELLEY HUGHES, representing self, Juneau, Alaska, testified in support of SB 52 with concerns. She stated she realized she could comment on the Senate floor as a special order, but it would not be on the record. She asked the committee to ensure the existing \$1 billion in funds for public K-12 schools and any new funding increases be tied to accountability measures to improve learning. She also asked that any new funding the legislature provides be directed to classroom instruction only. New school dollars should not expand school administrations. Furthermore, existing statutes that address funding ratios should favor educational over administrative spending.

SENATOR HUGHES said only 25 percent of Alaska's fourth-grade students are proficient in math and reading. Less than 10 percent of Alaska's eighth-grade students are proficient in math. She opined that Alaska has a problem, and the legislature needs to look at everything it can do to ensure Alaska's students are more successful. The Alaska Read's Act is a great start, but the legislature can do more by requiring mastery of objectives for grade-level promotion. She stated health care and

transportation costs should not be allowed to pull money from the classroom.

4:22:07 PM

SENATOR STEVENS asked Senator Hughes for her suggestions on how to tie accountability issues to money.

SENATOR HUGHES replied she would ask educators for their ideas on measuring improvement because testing is not always the best assessment. In Florida, if a student does not receive a passing score on a test, there are options for portfolio assessments. She opined it would take a while to see the benefits of the K-3rd grade cohort once operational. The improvement rate will differ from Florida and Mississippi because Alaska still allows social promotion. She stated she would focus on 4th-12th grade students as they would enter the world of work soon. Requiring new funding to go to classrooms would make it possible to have tutors and aides, which would improve learning. Providing an option for school districts to join the state public employees' health insurance could bring down health insurance costs for some school districts, thereby freeing up funds for classroom use. Research shows that just giving money to school districts does not improve learning outcomes.

4:25:22 PM

SENATOR SHOWERS representing self, Juneau, Alaska, testified in support of SB 52 with concerns. He stated Alaska's spending per pupil has exceeded the US average by 23 percent. Higher spending does not necessarily correlate with improved outcomes. Alaska has the sixth-highest public education revenue expenditure in the nation. Still, it is the fifth lowest in fourth-grade math and last in fourth-grade reading on the National Assessment of Educational Progress (NAEP) exams. Indiana had constant spending but was seventh highest in fourth-grade math and 17th in reading. Idaho had a decrease in spending and was fifteenth in fourth-grade math and eleventh in fourth-grade reading.

SENATOR SHOWER said it is important to know where state funds are spent. Increased spending was not distributed equally between salaries and benefits. Wages increased only 4 percent, but total benefits increased 124 percent. The growth in support services dwarfed the growth in instructional benefits. Total support services spending in Alaska increased by 50 percent from 2002 - 2020. Support benefits increased by 141 percent. General administration grew 18 percent. However, high school administration increased by 42 percent. He provided other statistics and said he supports giving money to schools if there

are performance metrics. He does not support throwing money at the problem without knowing the intended outcome. Statistics show that the state spends a lot of money but needs to get it to the teachers and students instead of the administration.

[4:29:36 PM](#)

LEM WHEELS, representing self, Anchorage, Alaska, testified in support of SB 52. He stated he graduated from Dimond High School and the University of Alaska. He has taught for 19 years, and his children attend public school. He said Alaska's schools are in dire need of an increase to the BSA. A \$1000 increase to the BSA would help correct flat funding. He stated he works at one of the best schools in Alaska, but over the past four years, the school has lost one-third of its full-time equivalent (FTE) positions due to budget cuts. Half of his colleagues have left teaching due to increasing workloads, inadequate wage increases, and a lack of a pension. He said his most challenging years of teaching were the last few due to the earthquake, pandemic, and increased student anxiety, depression, illness, and uncertainty. Class sizes have increased due to the flat funding of the BSA. Rising costs due to inflation have resulted in fewer teachers having larger class sizes and more papers to grade. Teachers' pay has decreased while the workload has increased. Other professions get raises when given more responsibility; teachers are told to do more with less. More than half of all teachers in Alaska are in TRS Tier III, so they do not have a defined retirement benefit or Social Security. People call it the death tier because teachers must work until they die or risk running out of money in retirement. He stated he is tired of seeing great teachers leave because the state is not adequately investing in schools. It is time to invest in education.

[4:32:54 PM](#)

SENATOR STEVENS asked teachers who call in to speak to or suggest accountability measures.

[4:33:22 PM](#)

MR. WHEELS replied that it is a complex topic to discuss because, as NAEP scores may show, students can have layers of deficiencies by the time they reach high school. He said that while he could help a student attain a year's worth of growth, he sometimes works with a faulty foundation. He stated he agreed with Senators Hughes and Shower that money needs to be invested in the classroom and not given to another test or statewide program that takes away from teachers doing their job.

[4:34:34 PM](#)

BRANDY HARTY, representing self, Fairbanks, Alaska, testified in support of SB 52. She stated she is a certified elementary education teacher with two children in public schools and she serves on the school board. Her husband is an aviator in the National Guard. They had many choices of where to live, but they chose Alaska because of the excellent education she received. She opined that their choice to remain in Alaska becomes harder every year as they witness the steady decline of Alaska's schools. She stated her children are not receiving the same education she did. The school she attended as a child closed last year, and art programs have been eliminated. Elementary schools have no orchestra or band, and there are few after-school athletic programs. Although a \$1000 increase to the BSA is a start, more is needed to bring back lost programs or supply teachers with meaningful pay increases. Alaska will continue to have a teacher recruitment and retention problem if teachers do not receive adequate payment and pension.

[4:37:35 PM](#)

BARBARA TYNDALL, representing self, North Pole, Alaska, testified in opposition to SB 52. She stated that funding for education takes up much of the state's budget and seems to increase yearly despite shrinking school populations and outcomes. She said she does not begrudge spending money for the education of children. She objects to the quality of the service and products that Alaskans are receiving. She urged the legislature to examine the products and funding distribution. She opined that everything funded is not necessarily educationally beneficial to students. She applauds Senator Hughes for discussing accountability and outcomes. Dollars do not guarantee results, and the state should reduce administrative funding. She asserted the state should not increase the BSA until it sees better outcomes.

[4:40:14 PM](#)

KELLY NASH, representing self, Fairbanks, Alaska, testified in opposition to SB 52. She said she has a child in the ninth grade, and teachers are not teaching her how to study independently. She complained that students always work in groups, turn in homework in multiple places, and propaganda is in every school. Long-term substitute teachers are using the classroom to promote their political beliefs. Librarians and teachers spend all day on Facebook. She opined schools need to return their focus to learning. Money is not the problem, and many teachers left the profession because of the mask and Covid vaccination mandates. Furthermore, many clubs outside of school are relatively inexpensive to join.

[4:43:25 PM](#)

MARGRET MULLINS, representing self, Delta Junction, Alaska, testified in opposition to SB 52. She said her family moved to Delta Junction in 1952 when it had no running water or electricity. The school was on a military base, and she received an excellent education. She is appalled to see what children learn now. They are being given misinformation instead of education. She is concerned about the "woke agenda" creeping into the nation. She opined that using the permanent fund dividend to increase the BSA decreases funds for homeschool students, old-timers, and survivalists. She said administrators fired teachers for not getting vaccinated or wearing masks. The state is misdirecting funds. Until schools stop culturizing and start educating students, there should not be an increase in the BSA.

[4:46:43 PM](#)

MELISSA BURNETT, Fairbanks North Star Borough Board of Education, Fairbanks, Alaska, testified in support of SB 52. She said she is a mother and school board member. She opined that education is suffering, and school districts have taken drastic measures statewide. Fairbank's school district has lost teachers and support staff. Last year it closed three schools. Teachers will continue to leave the state, and students' education will only decline without change. Fairbanks believes in providing excellent, equitable education in a supportive environment so all students can succeed. However, every year it is getting hard to provide quality education due to the loss of revenue. The Alaska constitution states the legislature shall maintain public schools. She urged the legislature not to short sell the future of Alaska.

[4:49:03 PM](#)

JENNA FABIAN, Principal, Nikiski North Star Elementary, Kenai, Alaska, testified in support of SB 52. She stated she is the board secretary for the Alaska Association of Elementary School Principals and a parent. She said the legislature should increase the BSA to compensate for six years of flat funding and inflation. Heating costs, building maintenance, supplies, and shipping costs were all negatively impacted by inflation. She said teacher recruitment and retention is paramount to the success of Alaska's schools. Teachers are working with less but doing more as cuts occur, potentially increasing the number of certified teachers leaving the education field. Teacher burnout is real. Consistent, stable staffing increases academic progress and the safety, security, and well-being aspect of schools. The

staff know the students and can identify concerns. Students deserve an excellent education, and Alaska needs a superb workforce.

[4:52:58 PM](#)

LON GARRISON, Executive Director, Association of Alaska School Boards (AASB), Juneau, Alaska, testified in support of SB 52. He stated that AASB's Resolution 2.2 urging early, adequate, equitable, and predictable funding of public education supports SB 52. It specifies an increase of no less than \$860. AASB just completed its legislative fly-in and youth advocacy institute. There were 170 school board members, students, and superintendents in attendance. Some of the most compelling testimony came from students who described the loss of learning opportunities that build a connection to school and their commitment to learning. He said AASB supports SB 52 for all the reasons heard.

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CHAIR TOBIN held SB 52 in committee.

[4:54:53 PM](#)

There being no further business to come before the committee, Chair Tobin adjourned the Senate Education Standing Committee meeting at 4:54 p.m.