

SENATE FINANCE COMMITTEE

April 13, 2023

1:03 p.m.

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CALL TO ORDER

Co-Chair Olson called the Senate Finance Committee meeting to order at 1:03 p.m.

MEMBERS PRESENT

Senator Donny Olson, Co-Chair  
Senator Bert Stedman, Co-Chair  
Senator Click Bishop  
Senator Jesse Kiehl  
Senator Kelly Merrick

MEMBERS ABSENT

Senator Lyman Hoffman, Co-Chair  
Senator David Wilson

ALSO PRESENT

Lon Garrison, Executive Director, Association of Alaska School Boards; Andy Hollerman, Anchorage School District, Anchorage; Kelly Lessens, Anchorage School Board, Juneau; Corrine Marks, Self, Juneau; Patty Brown, Alaska Science Teachers Association, Juneau; Emma Melkerson, Self, Juneau; Chris Heidemann, President, Juneau Education Association, Juneau; Elizabeth Siddon, Self, Juneau; Caleb Schane, Self, Juneau; Sunna Schane, Self, Juneau; Bay White, Self, Juneau; Emily Ferry, Self, Juneau; Summer Koester, Self, Juneau; Matthew Schwarting, Self, Juneau; Sharon Denton, Self, Juneau; Lisa Egan Lagerquist, Self, Juneau; Julie Smyth, Self, Juneau.

PRESENT VIA TELECONFERENCE

Mako Haggerty, Self, Homer; Mica Van Buskirk, Parent, Seward; Kari Sagel, Self, Sitka; Diane Gubatayao, Ketchikan School Board, Ketchikan; Michael Robbins, Superintendent, Ketchikan Gateway Borough School District; Bob Hewitt, self, Ketchikan; Patti Truesdell, Kenai Peninsula Borough School District Board, Kenai; Eleanor Poe, Self, Anchorage;

Beverly Russell, Alaska Native Sisterhood, Juneau; Desmona Stevick, President, Alaska Native Sisterhood - Glacier Valley Camp 70, Juneau; Francesca Allegrezza, Self, Anchorage; Rich Catahay, Superintendent-Principal, Kake City School District, Kake; Phillis Morrow, Self, Fairbanks; Danielle Logan, President, Education Support Staff Association, Fairbanks; Jessica Louwerse, Self, Anchorage; Joshua Girard, Self, Fairbanks; Debbie Cary, President, Kenai Peninsula School District Board, Ninilchik; Cyndy Mika, Superintendent, Kodiak Island Borough School District, Kodiak; Patricia Gibbs, Self, Kodiak; Marcelo Quinto, Vice President of Alaska Native Brotherhood, Camp 70, Juneau; Jason Tauriainen, Self, Nikiski; Christine Villano, Self, Fairbanks; Will Chervenak, Self, Kenai; Mary Olson, Self, Palmer; Anna Bosin, Self, Anchorage; Kristen Schupp, Self, Fairbanks; Brian Smith, Self, Petersburg; Joshua Gill, President, Alaska Association of Elementary School Principals, Bethel; Rebecca Bernard, Self, Anchorage; Kristi Wood, Self, Anchorage; Penny Vadla, Self, Soldotna; Kathy Simpler, Self, Kodiak; Rachel Lord, Self, Homer; Bobby Burgess, Self, Fairbanks; Kate Quick, Self, Fairbanks; Susan Nedvza, Chief School Administrator, Bering Strait School District, Unalakleet; Terrie Gottstein, Self, Anchorage; Nora Matell, Self, Anchorage; David Boyle, Self, Anchorage; Zane Barber, Self, Anchorage.

#### SUMMARY

SB 52 INCREASE BASE STUDENT ALLOCATION

SB 52 was HEARD and HELD in committee for further consideration.

Co-Chair Olson relayed that the committee would consider invited testimony on SB 52. He commented that many committee members were busy at another meeting. A quorum was established in the meeting earlier in the day.

#sb52

SENATE BILL NO. 52

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

[1:04:20 PM](#)

LON GARRISON, EXECUTIVE DIRECTOR, ASSOCIATION OF ALASKA SCHOOL BOARDS, thanked the committee for their service and acknowledged the difficult job the members faced in planning for the funding of state services including education. He referenced his time as a local school board member. He read from written testimony:

Co-chairs Stedman, Hoffman, and Olson, and members of the Senate Finance Committee. For the record, my name is Lon Garrison. I serve as the Executive Director of the Association of Alaska School Boards.

Thank you for this opportunity to speak to you today in strong support of SB 52 Increase the Base Student Allocation. AASB believes SB 52 upholds the Legislature's moral and constitutional responsibility of sufficiently funding Alaska's public education system.

The AASB Board of Directors has adopted three legislative priorities for this year. They are:

- Sufficient, sustainable, and predictable education funding
- Retention and recruitment of teachers, administrators, and staff
- Student wellness and safety

The state of Alaska has always statutorily fulfilled its responsibility to establish and maintain a public education system under *Article 7, Section 1* of Alaska's Constitution. The legislature's responsibility has been to appropriate sufficient funds to maintain an effective public education system. However, for over a decade, Alaska has not sufficiently invested the resources necessary to ensure every student receives an excellent education daily.

In November 2022, the AASB membership unanimously approved RESOLUTION #2.2 URGING EARLY, ADEQUATE, EQUITABLE, AND PREDICTABLE FUNDING OF PUBLIC EDUCATION by specifying an increase of not less than \$860 to the BSA. This figure was put forward by the Anchorage School Board as a result of the District's analysis early last fall of the difference between the current FY23 BSA of \$5,930 and an estimated inflation-adjusted

value of \$6,820, using the CPI-Urban Alaska rate, compounded over the past six years. As it turns out, that early fall estimate was low. ASDs recalculated BSA increase, accounting for inflation through the end of 2022, should have been \$ 1,268 for FY2024. The most recent increase in the BSA occurred six years ago, in 2017.

A further comparison of the BSA to inflation over the past eleven years (2012 to 2022) shows the BSA has only increased by \$250 or a total of 4.29% percent. Meanwhile, based on the CPI-Urban Alaska data, the cumulative inflation for that same period is 24.6%. Thus, the underfunding of Alaska's public education through the BSA has been a chronic issue. Several times, additional funding outside the BSA has been provided, which is appreciated. However, these one-time discretionary funds have not led to the stability and predictability of a statutory increase in the BSA.

SB 52 provides for a measured and predictable increase in the BSA over the next three years. An increase of \$1000 in FY24 comes much closer to matching the loss of buying power. Another BSA increase of \$348 in FY25 builds upon that adequacy, and finally, in FY25, the BSA is tied to a rolling average of inflation. These three steps provide both the sufficiency and stability that is one of AASB's top legislative priorities. AASB has strongly advocated that the BSA should statutorily be connected to an inflation-proofing formula. Our resolution 2.50 INFLATION-PROOFED BASE STUDENT ALLOCATION (BSA) INVESTMENTS addresses this issue.

So, what does this mean for school boards which, by statute, are required to establish, approve and implement balanced budgets each year? It has meant having to make hard decisions that reduce staffing, eliminate programs, curtail extracurricular activities, and diminish many of the supports that affect the conditions for learning for each student.

Locally elected school boards have been delegated the authority to implement a system of public education required by the Alaska Constitution. School board members are tasked with governing their districts and allocating funds to execute an educational plan for all public school students. It is a highly complex

task. In Alaska, school boards have no taxing authority. They, therefore, must rely solely on revenue from the state, the federal government, and in organized areas, at least a minimum local contribution to fund education.

A myriad of operational costs, including utilities, supplies, transportation, fuel, maintenance, freight, food, instructional materials, and other services necessary for operating a school system, have all increased dramatically. As these operational costs have increased, resources to employ the staff needed to run schools and deliver educational support and instruction have been reduced. As a result, the opportunities for all students to succeed diminish, and we see declines in many indicators of student achievement.

[1:09:40 PM](#)

Mr. Garrison continued his testimony:

Last Friday, I attended the House Education Committee meeting where three rural Alaska school districts, Lower Kuskokwim, Northwest Arctic, and Bristol Bay, described their education programs and the monumental challenges each of those districts faces in supporting their mission and vision for their students. Overwhelmingly, staff turnover ranging from 20% to 40% was a primary challenge due to uncompetitive salary and benefits, high housing costs, the lack of housing, and the high cost of living. All presenters repeated that the cost of essential goods, such as a gallon of milk, could run from \$10 to \$30, depending on location. A gallon of gasoline can vary from just over \$6/gallon to almost \$15/gallon.

The highly uncertain nature of the annual legislative appropriation for education funding and the potential executive vetoes continually creates uncertainty that makes it difficult to sustain a maintenance of effort in an effective and efficient manner. Time and again, school boards and superintendents must make hard choices that often result in reduced staff or the elimination of programs and services, which often negatively impact student achievement. Pupil-teacher ratios increase. Critical student support services

such as school counselors, nurses, career and technical education programs, and career guides are often the first to go. Extracurricular activities are often next, along with the arts and other electives, such as advanced placement classes. All of these supports and programs help create the fabric of local public education woven into the composition of every Alaskan community. The compendium of all of these things makes the American education system special.

Locally elected school boards, elected by the same constituencies as yourselves, have been delegated the authority to implement a system of public education on behalf of the state of Alaska. In order to do that, they rely upon state, local, and federal governments for revenue. School boards implement the local control model that has served Alaska well, but it depends on your support.

AASB strongly advocates for your support of adopting SB 52, Increasing the Base Student Allocation, as an investment in Alaska's students that will pay dividends in our future. Funding outside the BSA only promotes short-sighted spending, reducing staff retention and recruitment and ultimately decreasing student achievement. AASB asks that this committee support the will of the Senate Bipartisan Coalition and prioritize increasing the BSA as a definitive commitment to supporting Alaska's public school system and Alaska's future through the education of its young people.

Thank you for the opportunity to testify today.

[1:12:57 PM](#)

Co-Chair Stedman recalled that Mr. Garrison had spent several years on the Sitka School Board. He commented that fundamentally the legislature had to have a balanced budget and had to consider two open items: the Permanent Fund Dividend (PFD) and education. He asked Mr. Garrison's opinion on how to balance the PFD demand with funding education. He thought it was clear the state did not have enough cash flow to fully fund the PFD, much less an increase to the Base Student Allocation (BSA).

Mr. Garrison echoed others that had said the issue was a policy call. He reckoned back to his experience on the Sitka School Board, where he was faced with the same funding prioritization decisions. He advised that the legislature prioritize funding education. He referenced the Association of Alaska School Boards (AASB) resolution that suggested an increase of not less than \$860 to the BSA, which the membership felt was needed to keep education at its current level and make up a little ground. He understood that the state was faced with weighing two great demands. He commented that his family had used every PFD to help his children with college. He advocated on behalf of school boards that the priority of education should be placed above that of the PFD.

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Co-Chair Olson OPENED public testimony.

[1:16:53 PM](#)

ANDY HOLLERMAN, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE, testified in support of the bill. He commented that he had been a member of the Anchorage School Board and was a classroom teacher. He thought the bill was encouraging. He remarked on the longevity of teachers and the length of time needed to improve at teaching. He discussed inflation and its effect on programs. He asserted that there were side effects to not having an annual inflation adjustment to education funding.

[1:19:34 PM](#)

KELLY LESSENS, ANCHORAGE SCHOOL BOARD, JUNEAU, spoke in support of the bill. She emphasized that student outcomes did not change until adult behaviors changed, which was the guiding philosophy that the Anchorage School Board had adopted. The board had adopted goals related to grade K-2 reading proficiency, grade 3-9 math proficiency, and high school students' college and career readiness. The board had adopted a multi-year calendar and designed annual budgets to support the goals. She discussed efficiencies identified by the board. She stressed that there was a vision in line with the education goals, which she thought would translate into student outcomes. She asserted that continued flat funding would put the district's goals at risk. She cited a projected deficit of \$85 million for the

Anchorage School District. She discussed positive side effects of additional education funding.

[1:22:01 PM](#)

CORRINE MARKS, SELF, JUNEAU, spoke in support of the bill. She read from a prepared testimony:

I am Corinne Marks, a high school teacher in Juneau. Thank you for this opportunity to testify in favor of raising the BSA.

Many people share how much they value education and teachers. Working two years at a US Embassy school, I experienced the realities of being sincerely valued. This time proved to me that more funding does make a difference. I was happier, I was healthier, because I wasn't beaten down by a lack of funding. Classes were guaranteed no larger than twenty. Preparation time was twice what I currently have. I was able to do what research tells educators they need to do: plan with colleagues, assess student data, provide feedback, and communicate with families. Proper funding does make a difference for our students.

As flat funding continues, healthcare, housing and food costs increase. To compensate, I've taken on work as an adjunct at the UAS School of Education. I'm training Alaska's future educators and watching them leave for California, Illinois, Oregon, and Maryland. Colleagues are also leaving for opportunities outside Alaska. More reasonable work expectations, better pay, and a pension. Over my 25 years, my job description has expanded from being a teacher to include mediator, assessor, counselor, coach, mentor, snack provider.

We need to be able to look at future educators and tell them they will love the job and be fairly compensated. We need educators to seek out jobs in the State of Alaska, and stay here. We need the best possible future for our communities, schools, and most importantly our students - the future of this state. I would not have to be here today if the legislature truly appreciated the importance of education, because raising the BSA would not be an issue, it would simply be done. Have courage, work together, and fund the future of our state. Increase the BSA.

[1:24:15 PM](#)

PATTY BROWN, ALASKA SCIENCE TEACHERS ASSOCIATION, JUNEAU, testified in support of the bill. She retired after teaching for 22 years, and was speaking on behalf of the Alaska Science Teachers Association. She listed multiple teachers in her family. She asserted that investing in schools was investing in community. She proposed that an increase of \$1,000 in the BSA with \$350 the following year, in addition to inflation-proofing would be ideal. She recalled that in 2019 the state Board of Education adopted science standards for Alaska. She continued that Department of Education and Early Development (DEED) had provided web resources and training videos as a start to implementation. She recounted that most teachers that communicated with her organization did not have the necessary resources.

Ms. Brown identified that money added to the BSA could be earmarked for improving science education for every student. She listed manners in which the funds could be applied. She added that the content of science was inspiring to young learners and could help achieve goals in reading, writing, and math. She spoke in favor of place-based education and incorporation of indigenous ways of knowing. She noted that science was strongly connected to career and technical education. She asserted that public education had always been about contributions to society, and that it was imperative that funding for science education become a priority.

[1:27:07 PM](#)

EMMA MELKERSON, SELF, JUNEAU, spoke in support of the bill. She was currently a kindergarten teacher in Juneau. She had also worked in Kivalina, at a school replaced with funds allocated by the *Kasayulie v. State of Alaska* settlement. She relayed that the lawsuit was filed to ensure that Alaska met its constitutional obligation that the legislature shall by general law, establish and maintain a system of public schools open to all children of the state. She noted that the Northwest Arctic Borough School District was looking at a multi-million dollar deficit. She emphasized the importance of her students and requested a permanent increase to the BSA.

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CHRIS HEIDEMANN, PRESIDENT, JUNEAU EDUCATION ASSOCIATION, JUNEAU, spoke in support of the bill. He relayed that he was a teacher at JDHS and was a parent of two children in the Juneau School District (JSD). He wanted to discuss the effects of flat funding on the teaching profession in the state. He cited vacancies in all urban school districts in the state, at all levels. He posited that flat funding was causing the education jobs in the state to be uncompetitive in the open market, making it impossible to attract quality educators to the state. He observed that in-state education graduates from within the state overwhelmingly left the state for better wages and benefits and a defined-benefit pension, while those that came to the state left after a couple of years.

[1:31:29 PM](#)

ELIZABETH SIDDON, SELF, JUNEAU, testified in support of the bill. She was a parent of a school age child and was a member of the Juneau School Board. She supported an increase to the BSA and urged members to encourage colleagues. She thought an increased BSA would provide additional stability. She mentioned flat funding and rising costs. She discussed her child's education during the Covid-19 pandemic. She asserted that her child and his peers missed foundational learning time. She discussed the importance of educational opportunities.

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CALEB SCHANE, SELF, JUNEAU, spoke in support of the bill. He thought not raising the BSA would make it harder to have after-school activities. He discussed losing teachers at his school. He discussed the effect of larger class sizes.

[1:36:25 PM](#)

SUNNA SCHANE, SELF, JUNEAU, testified in support of the bill. She was a student at Montessori Borealis and was in seventh grade. She was in favor of raising the BSA. She thought that Dzantik'i Heeni Middle School had lost some extra-curricular classes due to a lack of funding. She discussed the importance of education.

Co-Chair Olson handed the gavel to Senator Merrick.

[1:37:35 PM](#)

Senator Bishop asked what Ms. Schane planned after her graduation.

Ms. Schane shared that she was interested in psychology.

[1:37:55 PM](#)

BAY WHITE, SELF, JUNEAU, spoke in favor of the bill. He thought that raising the BSA would help students, and not raising the BSA would cause the loss of extra-curricular activities.

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EMILY FERRY, SELF, JUNEAU, spoke in support of the bill. She relayed that she was a Montessori Borealis Site Council parent. She came to the meeting with a group of students. She stressed that she was advocating for all students and schools in the state. She discussed positive activities in local schools. She feared that not raising the BSA would have dire consequences. She discussed contribution and supported contributing towards her children's education.

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SUMMER KOESTER, SELF, JUNEAU, spoke in support of the bill. She relayed that she was a teacher and a parent of two children in JSD. She discussed advocating for her job as a Spanish teacher, which had been cut. She discussed class sizes of 40 students. She shared that her daughter experienced autism and could not attend her neighborhood school due to large class sizes. She discussed the effects of a lack of funding for sufficient staff. She cited that one out of every five teachers in the state had left the teaching profession. She compared the price of education with the price of incarceration. She asserted that higher graduation rates would lower the prison population. She discussed spending by teachers. She cited that Alaska ranked 49th in education and high school graduation, while being first in fiscal stability.

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MATTHEW SCHWARTING, SELF, JUNEAU, testified in support of the bill. He spoke in favor of the school system and caring

teachers. He shared concerns that teachers were not staying in the state due to higher pay elsewhere. He thought higher pay would attract amazing teachers to the state.

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SHARON DENTON, SELF, JUNEAU, testified in support of the bill. She shared that she was a reading interventionist at the Juneau Montessori School. She was retired from JSD. She was working after retiring from \ work special education, reading and classroom teaching. She had been working with Montessori part time. She discussed her work as a reading interventionist and noted that she had been given no new materials to work with. She thought there needed to be more funding for materials. She suggested cutting funds spent on testing, which she thought had no apparent results.

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LISA EGAN LAGERQUIST, SELF, JUNEAU, spoke in support of the bill. She relayed that she was formerly a JSD teacher and had two children in the JSD school district. She left the profession of teaching for personal reasons and did not return due to wages and classroom sizes. She supported an increase to the BSA. She referenced an Education Committee meeting in which she had waited to testify and had been unable. She recounted that she had heard testimony in favor of funding for home schools, private schools, and charter schools. She did not support additional funding for private schools. She pointed out that home school did not work for everyone. She discussed charter schools. She agreed with a previous testifier regarding challenges with hiring teachers and staff.

[1:50:25 PM](#)

MAKO HAGGERTY, SELF, HOMER (via teleconference), testified in support of the bill. He commented on the lack of opposition to the bill thus far in the meeting. He relayed that his kids had already benefitted from an education in the state but asserted that he still benefitted from an educated society. He supported raising the BSA.

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Senator Merrick noted that the co-chairs were in a meeting but were listening in to public testimony.

[1:52:29 PM](#)

MICA VAN BUSKIRK, PARENT, SEWARD (via teleconference), spoke in support of the bill. She shared that she was the parent of two high school students and was president of the site council at the school. She asserted that the lack of predictable and adequate increases to the BSA in recent years had caused extreme losses of programs in her three area schools. She discussed increased expenses for fixed costs which led to loss of staff and essential program. She mentioned consolidation of grades, increased classes sizes, and loss of electives courses. She cited that over 80 percent of Seward's high school students had to take one to three distance education classes in order to graduate. She mentioned reduced athletics teams' budgets.

Ms. Van Buskirk continued her testimony. She mentioned the closure of the community pool. She mentioned cuts to counselors and support staff. She asserted that students were disengaging. She asserted that families and teachers were leaving the area for opportunities in larger areas. She emphasized the need for stable funding for education. She asked for forward-funding for education.

[1:55:18 PM](#)

KARI SAGEL, SELF, SITKA (via teleconference), testified in support of the bill. She asserted that without the proposed increase to the BSA, Sitka would lose 15 positions. She heard reports that children were coming to school with cognitive and behavioral gaps. She discussed potential cuts. She recounted that she had participated in a trauma-informed training the previous day that centered children. She supported the same theory for the state's approach to education. She supported raising the BSA, having a more modest PFD, or the implementation of an income tax.

[1:57:19 PM](#)

DIANE GUBATAYAO, KETCHIKAN SCHOOL BOARD, KETCHIKAN (via teleconference), spoke in support of the bill. She referenced a budget amendment passed in the House proposing one-time funding, which she did not support. She referenced data that indicated flat funding had resulted in Alaska school districts losing \$1,433 per enrollment since 2012 due to inflation. She referenced reduced funding and

spending power in the Ketchikan School District. She discussed the deleterious effects of unpredictable education funding. She cited that the assembly and school board in Ketchikan supported the bill.

[1:59:43 PM](#)

MICHAEL ROBBINS, SUPERINTENDENT, KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT (via teleconference), spoke in support of the bill. He asserted that stable and predictable funding was necessary for school districts to be able to attract and retain highly qualified educators. He discussed the impact of inflation on purchasing power. He mentioned seeing the impacts of insufficient funding. He discussed cost increases. He cited that without a funding increase, his district would be required to reduce 48.5 positions from its general operating budget, including 20 teaching positions. He discussed the potential effects of budget cuts on class sizes. He discussed expansion of services that would be possible with reliable increased funding. He supported increasing and inflation proofing the BSA.

[2:02:07 PM](#)

BOB HEWITT, SELF, KETCHIKAN (via teleconference), spoke in support of the bill. He was a retired educator that worked as a school district employee for 37 years, 26 of which were as an administrator. He had witnessed insufficient funds in the school district, which had caused negative impacts on students, teachers, parents, and administrators. He discussed increased costs and the need for reliable predictable funding.

[2:03:16 PM](#)

PATTI TRUESDELL, KENAI PENINSULA BOROUGH SCHOOL DISTRICT BOARD, KENAI (via teleconference), spoke in support of the bill. She was a retired teacher that served on the school board and volunteered four days a week in her local elementary school. She shared a story about the hiring of six elementary counselors when she had first started with the school board. One counselor had resigned after not being promised a position the following year. She emphasized that school districts were losing good people due to lack of predictable funding.

[2:05:46 PM](#)

ELEANOR POE, SELF, ANCHORAGE (via teleconference), spoke in support of the bill. She was a high school student in the Anchorage School District. She discussed the student-teacher ratio at her school, which she thought would be worsened if there was not an increase to the BSA. She commented on the expected loss of four teachers and increased class sizes. She asserted that teachers were under stress. She mentioned a lack of art supplies in art class.

2:08:03 PM

BEVERLY RUSSELL, ALASKA NATIVE SISTERHOOD, JUNEAU (via teleconference), spoke in support of the bill. She relayed that her organization, the Alaska Native Sisterhood Camp 70, believed in education. She reminded that the state's constitution called for establishing and maintaining the state's schools. She noted that the BSA had not seen an increase in seven years and had not kept up with inflation. She discussed increased costs. She mentioned high costs in rural areas. She considered that flat funding for education was effectively a cut to education. She advocated for reasonable class sizes.

2:09:51 PM

DESMONA STEVICK, PRESIDENT, ALASKA NATIVE SISTERHOOD - GLACIER VALLEY CAMP 70, JUNEAU (via teleconference), testified in support of the bill. She asserted that the state's education system had eroded in recent years. She cited a 24.6 percent increase in the cost of education since 2011, while the BSA had only risen by less than 5 percent. She thought the lack of funding was reflected in lagging academic performance and high numbers of educator turnover and attrition. She cited that KTOO recently reported that 35 educators in Juneau had submitted paperwork to leave the district at the end of the school year. She emphasized the importance of public education for the state. She suggested that sustained investment in the state's education system was the foundation for a prosperous future for the state.

2:12:10 PM

FRANCESCA ALLEGREZZA, SELF, ANCHORAGE (via teleconference), spoke in opposition to the bill. She did not think the

current curriculum could provide proficiency in reading in math and did not think increased funding would help. She asserted that some families relied on the PFD for living expenses. She thought education received more and more funding while providing the same results. She referenced Co-Chair Stedman's remarks pertaining to a choice about funding. She referenced the use of Covid-19 relief funds.

[2:14:26 PM](#)

RICH CATAHAY, SUPERINTENDENT-PRINCIPAL, KAKE CITY SCHOOL DISTRICT, KAKE (via teleconference), spoke in support of the bill. He asserted that stable and predictable funding was necessary for districts to attract high quality educators. He noted that the BSA had only been increased by \$30 since 2016. He mentioned the impact of inflation. He discussed his district's budgetary work and reductions, as well as increased costs and impacts of insufficient funding. He recounted that sports programs had been cut, and discussed increased fuel costs and the resultant costs increases in electricity and travel. He asserted that reliable funding was critical to improve student outcomes and reducing educator turnover. With an increase to the BSA, his district would use the additional funds for positions including a preschool teacher and a reading specialist. He mentioned extreme operating challenges.

[2:17:18 PM](#)

PHILLIS MORROW, SELF, FAIRBANKS (via teleconference), spoke in support of the bill. She relayed that she was a retired educator. She appreciated the complexities of prioritizing funding as well as the effects of funding decisions for students and teachers. She had observed the effects of the decline in BSA funding. She mentioned that her son was a teacher and discussed annual uncertainty around funding. She discussed program changes due to less funding, and the difficulties from uncertain funding. She referenced prior testimony.

[2:19:20 PM](#)

DANIELLE LOGAN, PRESIDENT, EDUCATION SUPPORT STAFF ASSOCIATION, FAIRBANKS (via teleconference), testified in support of the bill. She had been an educator for seven years and had seen changes in the district. She described turnover in support staff. She emphasized the importance of

support staff and custodial staff. She thought schools would continue to decline without a permanent increase to the BSA.

[2:21:25 PM](#)

JESSICA LOUWERSE, SELF, ANCHORAGE (via teleconference), spoke in support of the bill. She was the parent of two students in elementary school in ASD and a resident in a low-income neighborhood. Her school was a Title I school with high numbers of minority students, special education students, and English Language Learners (ELL). She asserted that flat funding education and an inadequate BSA had the most impact on the economically disadvantaged, ELL, and on minority or special education students. She cited national economic reports that showed a strong correlation between educational achievement and income. She discussed educational disparities and was a proponent of interventions, that required robust education funding.

[2:23:51 PM](#)

JOSHUA GIRARD, SELF, FAIRBANKS (via teleconference), testified in support of the bill. He relayed that he was a paraeducator at a middle school. He discussed the effects of the Covid-19 pandemic on education. He discussed the loss of arts and teaching positions due to lack of funding. He cited the stress of work and a lack of competitive pay. He discussed diminished teaching and paraprofessional staff.

[2:26:37 PM](#)

DEBBIE CARY, PRESIDENT, KENAI PENINSULA SCHOOL DISTRICT BOARD, NINILCHIK (via teleconference), spoke in support of the bill. She discussed the history of the BSA and cited that adjusted for inflation, the BSA should be \$7,152. She thought one-time funding was helpful but created a crisis in the retention of staff because of uncertainty. She cited a \$13.1 million deficit for the following fiscal year in her school district, which would necessitate cutting 34 positions without an increase. She discussed her board's goals for the following year. She discussed mental health and wellness in the educational community.

[2:29:25 PM](#)

CYNDY MIKA, SUPERINTENDENT, KODIAK ISLAND BOROUGH SCHOOL DISTRICT, KODIAK (via teleconference), spoke in favor of the bill. She mentioned the flat funding of education and the effect of inflation. She cited that the borough's transportation costs had gone up \$357,000 in one year, while transportation revenue had gone down \$7,500. She discussed increase in the cost of property and liability insurance of more than double. She asserted that inflation-proofing education funding and an increase in the BSA was necessary for districts to provide quality education and retain high quality educators. She discussed her districts deficit and discussed the necessity to cut staffing. She mentioned increased class sizes. She mentioned recently completed negotiations with teacher's associations and committed to providing almost half of new revenues from the BSA would go to salaries across all associations.

[2:32:16 PM](#)

PATRICIA GIBBS, SELF, KODIAK (via teleconference), spoke in support of the bill. She appreciated the efforts of the committee. She thought the state was critically behind in funding education while inflation had increased at a greater rate. She referenced the testimony from the previous speaker. She cited over 1,000 open positions in education in the state. She thought educating the youth of the state should be the state's top priority.

[2:34:08 PM](#)

MARCELO QUINTO, VICE PRESIDENT OF ALASKA NATIVE BROTHERHOOD, CAMP 70, JUNEAU (via teleconference), spoke in support of the bill. He emphasized the Alaska Native Brotherhood's longtime support of education since it was formed in 1912. He was a lifelong Juneau resident and recalled class sizes that were not as large. He emphasized the importance of the student to teacher ratio.

[2:35:44 PM](#)

JASON TAURIAINEN, SELF, NIKISKI (via teleconference), spoke in support of the bill. He relayed that he was a member of the Kenai-Peninsula Borough School Board. He lived on homestead lands in Nikiski. He thought the bill was well-crafted. He discussed the "lean" education budget and thought every necessary cut was made to staff. He referenced earlier testimony regarding choosing the PFD

versus funding education. He asserted that education was a constitutional obligation. He discussed the formation of the Permanent Fund.

[2:38:16 PM](#)

CHRISTINE VILLANO, SELF, FAIRBANKS (via teleconference), testified in support of the bill. She was a lifelong resident of the state and had worked as a teacher. She advocated for early and reliable funding. She thought schools needed to be stabilized by reducing staff turnover. She was a classroom volunteer and had observed big differences in her grandchildren's classes compared to her children's. She mentioned overcrowded classes, cuts to school nurses, and a lack of course options.

[2:41:03 PM](#)

JULIE SMYTH, SELF, JUNEAU, testified in support of the bill. She relayed that she resided in Fairbanks. She asserted that a well-funded school signified a well-adjusted community. She discussed student success. She believed that many students were struggling after two to three schools in the Fairbanks area had closed, resulting in many larger classrooms. She mentioned struggles for families of students with special needs.

Senator Merrick handed the gavel back to Co-Chair Olson.

[2:43:13 PM](#)

AT EASE

[2:44:08 PM](#)

RECONVENED

WILL CHERVENAK, SELF, KENAI (via teleconference), spoke in support of the bill. He thought there had been much misinformation spread about education spending. He cited that he was a high school administrator in the Kenai Peninsula Borough School District (KPBSD). He thought misinformation had been spread about education funding. He asserted that there was a false narrative that 50 percent of expenditures had gone to school and district administration. He noted that the largest expenditure category in KPBSD was classroom instruction at nearly 61 percent, while school and district administration was 5.5 percent of expenditures. He argued that Alaska ranked below

that national average for per-pupil education spending. He considered that with accounting for inflation, flat funding of education was effectively a cut. He discussed increased costs for healthcare, utilities, insurance, and transportation. He mentioned increased costs, lack of competitive wages, and larger class sizes as deleterious effects on the hiring pool for educators.

[2:47:13 PM](#)

MARY OLSON, SELF, PALMER (via teleconference), testified in support of the bill. She had worked in the Alaska school system since 1978. She recounted that all three of her children had received a great education in Alaska but considered that flat funding and inflation had eroded the purchasing power of education funding. She discussed cuts to teaching positions and difficulty with teacher recruitment. She supported inflation-proofing. She was grateful that her children had graduated in 2004. She discussed the past success of the state's education system.

[2:49:36 PM](#)

ANNA BOSIN, SELF, ANCHORAGE (via teleconference), spoke in support of the bill. She was the mother of a kindergartner at a neighborhood school. She worked as a professional engineer and wanted to stay in the state. She asserted that education had the power to change the lives of children and families. She emphasized that strong education systems were the foundation to a healthy economy. She mentioned the outmigration of working-age people in the state. She thought flat funding and lack of inflation proofing had resulted in consequences such as overcrowded classrooms, a lack of teachers, and dilapidated buildings. She discussed the increased pressure on families. She proposed that the increase in the BSA would circulate throughout the state through teachers and staff, and would bring more business to the state.

[2:52:25 PM](#)

KRISTEN SCHUPP, SELF, FAIRBANKS (via teleconference), testified in support of the bill. She emphasized the importance of investing in kids. She supported investing in education. She did not believe there would be better education outcomes with less funding. She thought parents needed support with strong early education measures. She

thought investment in education was a much greater contribution to long term economic strength in the state than a large PFD.

[2:53:56 PM](#)

BRIAN SMITH, SELF, PETERSBURG (via teleconference), spoke in support of the bill. He relayed that he was the parent of two young children. He was invested in the long-term stability of education in the state. He wanted schools to be able to attract and retain teachers as well as maintain facilities. He mentioned the trajectory of teacher pay in the state compared to that in other states. He spoke to local concerns about hiring.

[2:55:15 PM](#)

JOSHUA GILL, PRESIDENT, ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS, BETHEL (via teleconference), testified in support of the bill. He asserted that Alaska schools needed additional funding to catch up with inflation cost, implement the Alaska Reads Act, maintain facilities, and increase educator salaries. He cited that his district was the largest Regional Educational Attendance Area (REAA) with 29 schools only accessible to Anchorage by air or barge. He discussed the needs of his district. He discussed increased costs for fuel, utilities, travel, supplies, insurance, and construction. He mentioned a struggle with teacher housing. He noted that educator recruitment was difficult. He discussed low teacher salaries and position vacancies. He advocated for an increase inside the BSA to give students the best possible education.

[2:58:31 PM](#)

REBECCA BERNARD, SELF, ANCHORAGE (via teleconference), spoke in support of the bill. She had two school-age children. She relayed that her children's school experience had been mostly positive. She discussed cuts to programs. She questioned if the state valued providing a strong education.

[3:00:32 PM](#)

Co-Chair Olson handed the gavel to Senator Merrick.

KRISTI WOOD, SELF, ANCHORAGE (via teleconference), testified in support of the bill. She had heard the argument that the state should not raise the BSA until test scores were higher, but asserted that public schools could not perform well while having funding undercut. She addressed the economic concern of the possibility of her neighborhood school closing. She pondered the state's outmigration of young families. She thought supporting the BSA increase would support a strong economy.

[3:02:12 PM](#)

PENNY VADLA, SELF, SOLDOTNA (via teleconference), spoke in support of the bill. She had taught at the high school and college level for 30 years. She thought it was imperative that the state provide adequate and sustainable funding for the schools to continue providing the quality education the state was charged to provide under the state constitution. She commented that there had been years of stagnant education funding and that the BSA had not kept up with inflation. She thought school districts were struggling despite making cuts to various areas. She emphasized that districts did not want to make further reductions that would cut successful programs and increase the student-teacher ratio. She mentioned the importance of recruiting and retaining teachers. She did not think one-time funding was sustainable.

[3:04:28 PM](#)

KATHY SIMPLER, SELF, KODIAK (via teleconference), testified in support of the bill. She thought an increase to the BSA would help with school budget planning. She discussed previous cuts to services including school nurses, counselors, and music and gym teachers. She mentioned increased costs such as fuel, as well as inflation. She discussed past funding increases and one-time funding for school districts. She did not think one-time funding was sustainable.

[3:06:40 PM](#)

RACHEL LORD, SELF, HOMER (via teleconference), spoke in support of the bill. She mentioned fiscal concerns facing the state. She argued that having a functional education system required consistent and sufficient funding rather than "boom and bust" funding. She mentioned a deficit in

her district, and referenced federal funding that would run out. She mentioned increased costs with declining funding. She thought good schools were a basic public service that was needed for a strong economy. She thought the state needed a fiscal plan. She supported a structured percent of market value (POMV) draw from the Permanent Fund to fund basic public services while prioritizing education. She supported a broad-based tax to help tie Alaskans to state services. She noted that she was also on the Homer City Council unanimously passed a resolution supporting a meaningful increase to the BSA. She supported a BSA increase tied to inflation.

[3:08:52 PM](#)

BOBBY BURGESS, SELF, FAIRBANKS (via teleconference), testified in support of the bill. He had served on the Fairbanks North Star Borough School District budget advisory committee as a parent representative and relayed that what he had learned was alarming. He discussed school closures, inadequate staff funding, increased pupil-staff ratios, and skeleton crews in departments such as facilities management. He referenced deferred maintenance. He was concerned about potential cuts to important programs and staff. He supported stable and adequate funding that would allow for future planning. He thought good education supported a good workforce.

[3:11:30 PM](#)

KATE QUICK, SELF, FAIRBANKS (via teleconference), spoke in support of the bill. She was a parent of three teenagers. She commented on the decline of offerings in her school district. She mentioned her child's reading tutor, and noted that the services had been cut. She questioned whether the Alaska Reads Act could be implemented without adequate funding. She discussed cuts to elective courses due to teaching vacancies.

Senator Merrick commented that she was also the mother of three teenagers.

[3:14:11 PM](#)

SUSAN NEDVZA, CHIEF SCHOOL ADMINISTRATOR, BERING STRAIT SCHOOL DISTRICT, UNALAKLEET (via teleconference), spoke in support of the bill. She commented that the Bering Strait

School District had 15 separate schools and sites that covered 50,000 square miles and it was necessary to fly in and out of each village. She emphasized the need for predictable funding to operate at full capacity. She reminded that providing schools was a constitutional obligation. She discussed steady cost increases in many areas, which were compounded by shipping and travel cost increases in rural Alaska. She emphasized the impact on students. She commented that rural schools were the hub of many services. She discussed the need for more student capacity and teacher housing. She advocated for sustainable funding inside the BSA.

[3:17:03 PM](#)

TERRIE GOTTSTEIN, SELF, ANCHORAGE (via teleconference), spoke in support of the bill. She emphasized that education in the state was a constitutional obligation that necessitated a long view. She mentioned the erosion of purchasing power. She noted that she was the parent of adult children who had gone through ASD when it was adequately funded. She had a small business consulting for college admissions mentoring. She made note of the decline in course offerings for students in the state as they competed nationally for college admissions.

[3:20:07 PM](#)

NORA MATELL, SELF, ANCHORAGE (via teleconference), testified in support of the bill. She shared that she was a high school teacher and had two young children. She referenced the inflation rate and budget shortfalls. She cited that salaries and benefits made up 80 percent of the budget for ASD. She discussed the effects of larger class sizes. She discussed the importance of small group attention. She discussed the challenge of classroom management in larger classes, which took time away from teaching and preparation for teaching.

[3:22:30 PM](#)

Senator Merrick handed the gavel to Co-Chair Olson.

DAVID BOYLE, SELF, ANCHORAGE (via teleconference), spoke in opposition to the bill. He asserted that there was no accountability for how education funding was spent in Alaska schools. He referenced an audit that cited per-

student spending and wondered how the money was spent. He thought there was a need to reform the education funding formula. He advocated for a greater frequency of student counts and referenced the state of California. He discussed English Language Learners and spending. He thought there was a lack of cost control in schools. He lamented the lack of accountability for how funds were spent. He discussed healthcare costs.

[3:25:40 PM](#)

AT EASE

[3:26:26 PM](#)

RECONVENED

Co-Chair Olson commented that the committee had already gone a half an hour past what was originally allotted for public testimony. He encouraged additional testifiers to submit written testimony.

[3:27:00 PM](#)

ZANE BARBER, SELF, ANCHORAGE (via teleconference), testified in support of the bill. He was a student in ASD. He expressed concerns about cuts to programs and teachers. He was concerned for his siblings that were in school in ASD. He discussed the effects of inflation.

Co-Chair Olson CLOSED public testimony.

SB 52 was HEARD and HELD in committee for further consideration.

Co-Chair Olson discussed the agenda for the following day.

#

ADJOURNMENT

[3:28:52 PM](#)

The meeting was adjourned at 3:28 p.m.