

**HB**

**244**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred: March 26, 1993

FURTHER REFERRALS:

Date of Committee Action: 4/6/93

The FINANCE Committee considered:

HB 244

HOUSE BILL NO. 244

APPROP: SINGLE/DUAL SITE SCHOOLS

"An Act making a special appropriation for additional district support for kindergarten, primary, and secondary education programs; and providing for an effective date."

- RECOMMENDATIONS: [ ] the same title  
 be replaced with \_\_\_\_\_ [ ] a new title
- [ ] have attached amendments(s)
- [ ] do pass
- [ ] do not pass
- no recommendations
- [ ] individual recommendations
- [ ] additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(s): \_\_\_\_\_ (Dept)

APPROVES PREVIOUS: \_\_\_\_\_ (Dept/Date)

[ ] fiscal impact \_\_\_\_\_

[ ] fiscal note(s) \_\_\_\_\_

[ ] zero fiscal note \_\_\_\_\_

[ ] zero fiscal note(s) \_\_\_\_\_

SIGNING <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Richard [Signature]</i>	*	<i>Richard J. Larson</i>		X	
		<i>Mark Hanley</i>		X	
		<i>Yancy Martin</i>		✓	
		<i>Alan Parnell</i>		X	
		<i>Ben Grussendorf</i>		X	
		<i>Lay Brown</i>		✓	
		<i>Gene Theriault</i>		X	

*[Signature]*  
CHAIRMAN'S SIGNATURE

Back-up

# Alaska State Legislature



During Session:  
State Capitol  
Juneau, AK 99801-1182  
(907) 465-3424  
Fax (907) 465-3793

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352 Front Street  
Ketchikan, AK 99901  
(907) 247-4672  
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Committees:  
House Resources,  
Chairman  
Community &  
Regional Affairs  
Labor & Commerce

Representative William K. Williams

March 19, 1993

## SPONSOR STATEMENT by REP. W. K. WILLIAMS on

HOUSE BILL 244, "An Act making a special appropriation for additional district support for kindergarten, primary, and secondary education programs and providing for an effective date."

I introduced House Bill 244 on March 19 with the goal of insuring that all of the single site-school districts in Alaska will be dealt with in the same manner, and receive the additional support they require in FY 94 to offset the inequities in the state's school foundation funding formula.

The House of Representatives approved funding for the state's single-site districts in the House-passed version of the education budget, CSHB 45(Fin). The Senate's version of the legislation, SCS CSHB 45(Fin), excluded nine of these districts. The Senate's version of the education budget was approved by the Legislature and now awaits the Governor's signature.

The Legislature, in enacting SCS CSHB 45(Fin), approved funding for eleven of the twenty single-site districts in the state. The purpose of House Bill 244 is to provide the needed additional support to the remaining nine single-site districts. The dollar amounts are based on FY 93 actual enrollment, the same basis used to determine the level of funding for the single-site districts included in the measure enacted by the Legislature. The House's version of HB 45 had computed dollar amounts based on FY 94 projected enrollment.

I believe that the Legislature should move swiftly to correct this situation.

Nine single-site school districts were excluded from SCS CSHB 45(Fin)

This summary indicates the resulting impact on each of the nine school districts. The information was provided by the affected school districts.

**GALENA** **\$139,080**

(168 students) Last year Galena lost 5.5 teacher positions and half of an administrative position because the district's budget was cut by \$427,000. This reduction will mean an additional 8% cut and the potential loss of 3 teacher positions. The loss of teachers will result in a 20% increase in pupil/teacher ratio. This means a loss of \$1,172 per ADM.

**HOONAH** **\$125,660**

(239 students) The superintendent John Antonnen has stated that this reduction combined with a reduction in tuition funds by DOE will amount to a \$200,000 total cut to Hoonah School District, or \$750 per student resulting in the loss of 5 classified and 2 certificated positions as well as substantial reductions in classroom equipment and supplies.

**HYDABURG** **\$103,090**

(120 students) This amounts to a budget cut of 8%, loss of 2 teachers from a staff of 12, loss of 2-3 classified positions, combination of the 2nd and 3rd grade classes and the loss of 6 classes in the high school curriculum, and a reduction of \$890 per ADM.

**KAKE** **\$134,200**

(181 students) A 16% reduction to the Kake School District budget would be required to absorb this reduction. This translates into the layoff of three teachers, a 2% increase in pupil/teacher ratio; a reduction of \$757 per ADM; and loss of the music, art, and high school language arts program.

**KLAWOCK** **\$147,010**

(207 students) A 10.67% cut to the school district's FY 94 budget would be required to absorb this reduction. Three teachers would have to be eliminated: 17.65% of the staff. The student/teacher ratio would increase by 30% and state revenue to the district would be cut \$735 per ADM.

**PELICAN** **\$57,950**

(46 students) This cut amounts to 8% of Pelican's budget. Over the past three years, the district has utilized \$230,000 in its reserve funds which are now depleted. The reduction would involve the loss of 1

*Impact on the nine school districts excluded from SCS CSHB 45(Fin)*

teacher and a half time special education aide. It will increase pupil teacher ratio by 20% and reduce the district's budget by \$1238 per student. Effects of the reduction include: a 63% cut in the community school program; drastic reduction in the student extra-curricular programs; minimized special education contracted services, elimination of staff/board and administration professional development programs.

**SKAGWAY**                      **\$124,440**

(160 total students) The reduction would amount to 9% of the district's budget. It will cause the loss of 1 teacher, increase class size by 15% and delete the counseling program, the foreign language program, the Close Up program, the junior high school athletic program, and the drown proofing program for elementary students.

**TANANA**                      **\$115,900**

(99 students) This is a cut of 10% of the district's budget, and would mean the loss of a 4th and 5th grade teacher, a secondary math and science teacher, and the kindergarten teacher.

**YAKUTAT**                      **\$118,950**

(130 students) Larry Ecklund, who is the Superintendent and Principal, says that this cut amounts to 7% in his budget from last year. Given conservative cost of living adjustment at 2%, he estimates he will be down 9% next year from the current year which will mean the loss of two teachers, reduction of support staff, fewer classroom supplies and materials as well as restructuring of the curriculum.



ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS  
ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS  
ALASKA ASSOCIATION OF SCHOOL ADMINISTRATORS

• ALASKA COUNCIL OF SCHOOL ADMINISTRATORS •  
326 Fourth St., Suite 404 Juneau, AK 99801-1101 (907) 586-9702 FAX (907) 586-5879

## POSITION STATEMENT

### HOUSE BILL NO. 244

#### **"AN ACT MAKING A SPECIAL APPROPRIATION FOR ADDITIONAL DISTRICT SUPPORT FOR KINDERGARTEN, PRIMARY, AND SECONDARY EDUCATION PROGRAMS; AND PROVIDING FOR AN EFFECTIVE DATE."**

The Alaska Council of School Administrators supports HB 244 and encourages the full legislature to pass this legislation as soon as possible. We extend our appreciation to the prime sponsor and it's co-sponsors for introducing this legislation in a timely fashion.

We are all aware of the political reasoning for these nine districts being left out of the legislation recently passed and waiting for action by the governor. These nine districts are in need of this supplemental appropriation. For these districts, forward funding is not as important as the full funding they would have received.

This issue has been with us since 1987. The elimination of these districts continues to emphasize the need for a permanent resolution to the issue of equitable funding for all districts so legislators will not have to deal with this special appropriation on a yearly basis and those effected districts will not have to continue to approach the legislature for special funding.

Again, The Alaska Council of School Administrators urges this committee to take quick action of HB 244 and continue to support the legislation as it moves from committee to committee and onto the floor of the House.

Stephen McPhetres  
Executive Director

SINGLE SITE SCHOOL DISTRICT CONSORTIUM  
985 KSD WAY  
CHEVAK, ALASKA 99563  
858-7713

March 22, 1993

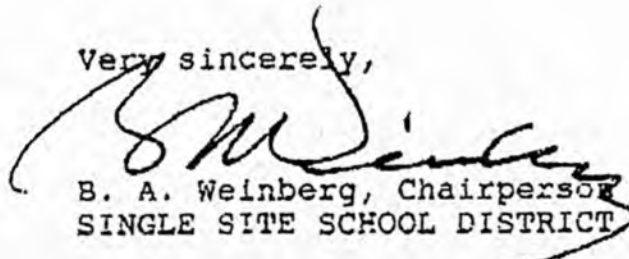
Honorable Bill Williams  
Alaska House of Representatives  
State Capital, Mail Stop 3100  
Juneau, Alaska 99801-1182

Dear Representative Williams:

On behalf of the Single Site School District Consortium, I want to encourage the House HESS Committee to include in HB 244 supplemental funding for the nine single-site districts deleted from the original House version of HB45. Since the current foundation program was enacted, the Legislature has recognized the inherent inequity that exists relative to smaller single-site districts. It is very important that all twenty-one smaller single-site districts receive supplemental funding on an equitable basis.

Hopefully, there will be future legislation curing this problem by amending the foundation formula in such a way as to provide equity for single-site districts. If this were to occur, it would eliminate the need for the Legislature to wrestle with this matter on an annual basis. In the meantime, we trust that there will be efforts to ensure supplemental funding for the nine single-site districts deleted from HB45.

Very sincerely,



B. A. Weinberg, Chairperson  
SINGLE SITE SCHOOL DISTRICT CONSORTIUM

Letters of Support

U R G E N T M E S S A G E

SINGLE SITE SCHOOL DISTRICT CONSORTIUM  
985 KSD WAY  
CHEVAK, ALASKA 99563

March 16, 1993

Members, Alaska House of Representatives  
Alaska State Capital  
Juneau, Alaska 99801-1182

Re: CSHB45(Fin)

Dear Representative:

Yesterday the Senate passed out CSHB45(Fin) which includes supplemental funding for twelve of the twenty-one smaller single-funding-community school districts. Unfortunately, however, nine single-site districts were omitted.

Since the current Foundation Program has been in effect, there has been recognition that an inequity existed relative to smaller single-site districts. The Legislature has addressed this inequity through additional funding outside the Foundation Program. Although the affected district's would have preferred an amendment to the Foundation Program to resolve this issue, we do appreciate the recognition of the inequity through supplemental funding.

Last year the Legislature provided supplemental funding for all of the smaller single-site districts. The House passed HB45 by a vote of thirty-six to zero with supplemental funding for all of the twenty-one smaller single-site districts. We believe that supplemental funding for all of these districts is fair and necessary until such time as the inequity affecting single-site districts can be addressed through appropriate amendments to the Foundation Program.

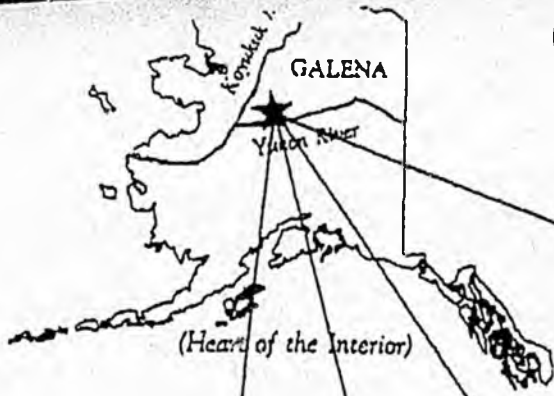
It is not clear to us why the Senate deleted nine districts from the version of the bill passed by the House. However, we believe that these deletions will only serve to punish children in the affected districts, and these districts and the children they serve include some of the poorest in the state. Therefore, we urge you not to concur with the Senate version and to support conference committee action to ensure supplemental funding for all twenty-one of the smaller single-site districts as was the desire of the House when originally addressing this bill.

Very sincerely,



B. A. Weinberg, Chairperson.

SINGLE SITE SCHOOL DISTRICT CONSORTIUM



# GALENA CITY SCHOOL DISTRICT

GALENA, ALASKA 99741  
PHONE (907) 656-1205

SUPERINTENDE  
OFFICE

March 11, 1993

Dear Wanda Cooksey:

Please find below the information requested in regards to the loss of our single site money which has been \$150,000 in past years!

- 1) The single site money makes up 8% of our budget.
- 2) The program impact will be great it is hard to predict what will be cut. We cut \$423,000 last year.
- 3) The \$150,000 will more than likely result in the loss of three teaching positions.
- 4) This reduction in staff will result in a 20% increase in the teacher student ratio.
- 5) This loss will result in a \$1,172 loss per ADM.

I hope this information helps, we really need the funds!

Sincerely,

William L. Miller, Superintendent

/elb

# Hoonah Public Schools

P.O. Box 157

(907) 945-3611

Hoonah, Alaska 99829

March 10, 1993

The Honorable Rick Halford  
Alaska State Senate  
State Capital, Room 111  
Juneau, AK 99601-1122

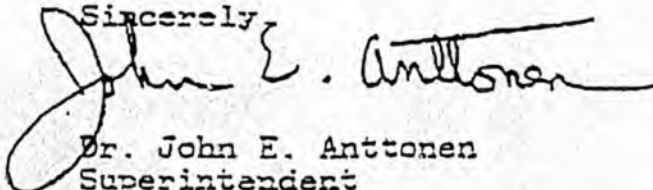
Dear Senator Halford:

The action by the Senate Finance Committee to eliminate Hoonah and eight other Single Site school districts from Single Site Funding is a decision which will critically impact the ability of Hoonah School District to offer a quality education program.

Between the reduction of tuition funds by the Department of Education and the elimination of Single Site Funding, our district will lose approximately \$200,000.00. This translates to a loss of education funding of approximately \$750 per child. There is no way that our district can afford such a reduction in funds without serious negative impact, including elimination of five classified positions, two certificated positions, and substantial reduction in classroom equipment and supplies.

I urge you to put aside political issues and respond in the interest of children. Please restore Single Site Funding to Hoonah, Kake, Klawock, Pelican, Galena, Hydaburg, Skagway, Tanana, and Yakutat.

Sincerely,



Dr. John E. Anttonen  
Superintendent

JEA/cb

*Hydaburg*

March 10, 1993

Loss of budget \$70  
Loss of 6 sec. Classes  
Loss of 1 teacher (16% of staff)  
Loss of Com 2-3 Class. fund  
Ratio 1-10 to 1-12 but  
increase, etc  
Two Combined elem. Classes  
2nd 3rd 4th 5th  
\$890 per Adm reduction

Senator Jim Duncan  
Alaska Senate  
P.O. Box V  
Juneau, Alaska

Dear Senator Duncan:

We were shocked to hear that nine districts had been removed from the single site section of CSHB 45 by the Finance Committee. There does not seem to be any rationale given, other than a vague reference to forest receipts. Forest receipts have only been received by districts for two years, and although we received a substantial amount of money last year, we were only allocated \$47,401 this year, and the city withheld \$5,000 of that. To use forest service receipts as a basis for dropping our districts is unfair. These funds illustrate a great deal, and many municipalities withhold portions of the funds, which results in a large discrepancy between funds allocated by the state, and the actual money received by the districts.

We have been fighting the inequity of the single site funding issue since 1990. Three studies have shown that an inequity exists, and we hoped that we could finally resolve the problem. The unfortunate thing is that people seem to be thinking of this as a matter of money, and ignoring the fact that we are talking about children. If we do not receive the single site monies, we will be forced to cut two teachers from our staff of twelve. We will also have to reduce our support staff by two to three positions. The result will be a combined second and third grade classroom, and the loss of six classes in the high school curriculum. Many of the districts cut are among the poorest in the state, and their programs will be devastated. We do not have frill type programs, we will have to increase class sizes and drop core classes. Kids are going to be hurt!

Our students need your support. Please vote to put the nine districts back into the bill. Don't let our kids become victims.

Sincerely,

Christine Tolson  
President  
Hydaburg Board of Education

Bob Price  
President  
Hydaburg Education Assoc.

# Kake City School District

P.O. BOX 450  
KAKE, ALASKA 99630  
(907) 785-3741

MEMO

TO: Wanda Cooksey

FROM: Larry Stout  
Superintendent of Schools

DATE: March 10, 1983

% of our budget will be reduced by 18%

Program impact of the loss: music, art, high school language arts  
person which would weaken the program two elementary teachers

# teachers and staff to be laid off: 3 teachers

% increase in pupil teacher ratio: 2%

\$ per ADM reduction: \$757.00

# KLAWOCK CITY SCHOOL DISTRICT

MORRIS D. VEHRERS  
Superintendent

P. O. Box 9  
Klawock, Alaska 99925  
907-755-2228

March 10, 1993

Senator Robin Taylor  
ALASKA STATE SENATE  
Capital, Room 30  
Juneau, AK 99801-1182

Dear Senator Taylor,

This letter is being written by the Klawock City School District Board in response to the actions of the Senate Finance Committee to leave out nine Districts from Single Site Funding. The impact of this decision on our District would be as follows:

HB 45 Proposed Single Site Funding	\$147,010
FY 94 Estimated Foundation Funding	\$1,370,959
Single Site Funding Percentage of Total	10.67%

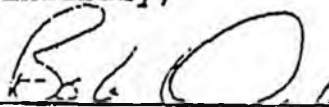
Program impact: Options are limited.  
However, this funding cut translated to 3  
teachers or 17.65% of our total staff.

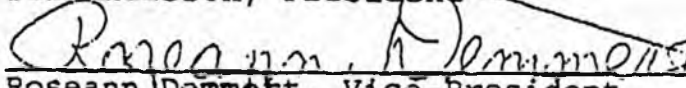
A 17.65% cut in staff would increase our  
student/teacher ratio by over 30%

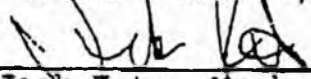
This action would cut our state revenue per  
ADM by \$735.

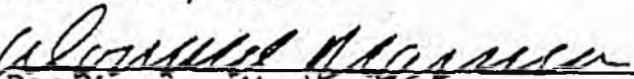
This action would result in the most damaging impact on  
quality education ever experienced by our District. We urge you  
to place the education of children ahead of political issues.

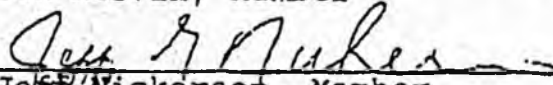
Sincerely,

  
Bob Anderson, President

  
Roseann Demmert, Vice-President

  
Jack Kato, Member

  
Don Marvin, Member

  
Jeff Nickerson, Member

Pelican - 735 - 2263

463-3043

## Memorandum

To: Wanda Cooksey

From: Bill Borfka, Superintendent *Bill*  
Pelican School District

Date: March 11, 1993

Subject: Single Site Funding

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Having utilized \$230,000 in District reserves over the past 3 years to balance the budget our fund balance is zero. In developing our FY-94 budget we were projecting a deficit of \$55,000. Loss of single site funding would increase this figure to \$113,600. We are in a panic!

A quick outline of information requested:

- > loss of SS funding would result in an 8% decrease in revenues
- > program impact due to loss of SS funding:

Pre-School program eliminated

Community Education program 63% cut

Distance Education 100%

Board/Administration/Staff professional development - eliminated

Student travel - all: academic / extra-curricular drastically curtailed

special education contracted services minimized

- > Loss of teachers / staff: 1 certified FTE = 16% reduction  
.50 classified FTE (teachers aide/special education)
- > 20% increase in pupil teacher ratio
- > \$1,238 per ADM reduction

Please Note - We do not see any increase in revenue as a result of Forest Service receipts. This is a benefit to the City and used in lieu of their local contribution.

HELP - serious situation. What more can we do?

Thanks, Wanda!

# SKAGWAY CITY SCHOOL

P.O. Box 497 • Skagway, Alaska 99840 • (907) 983-2960

March 10, 1993

Senator Fred Zharoff  
Alaska State Legislature  
State Capitol  
Juneau, Alaska 99801-1182

Dear Senator Zharoff:

The Skagway City School District will be cut to the bone if CS HB 45 is passed.

Our district for years has run a tight budgeted program. At this time with the single dual site funds, we maintain one administrator and 14 teachers.

With the passage of SC HB 45, the Skagway City School District will have to cut:

- Two teachers
- Counseling program
- Star Schools (foreign language)
- Drown proofing for elementary students
- Junior high athletic program
- Cut funding to Close Up
- Class sizes increase by 15%
- We will lose 9% of our district budget

As an educator, I do not understand why the Skagway students should be held hostage to state politics.

Sincerely,

*Bill Hopkins*  
Bill Hopkins  
Superintendent

BH:dk

cc: Senate Finance Committee

Tanana, Alaska

Wednesday

March 10, 1993

Representative Irene Nicholla  
House of Representatives  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Nicholla:

I never in my wildest dreams thought I would be writing a letter such as this to you, but we urgently need your help. What the Senate Majority Caucus did today to the children of nine Alaska school districts is the legislative equivalent of child abuse and neglect. As you know, these districts are among the very poorest in the state, desperately needing single site funding, and yet, in what can only be described as the most calculated, unconscionable exhibition of transparently partisan politics, eleven senators chose to send a message to the poor and disadvantaged of Alaska that the senate was going to make sure that they got poorer; eleven senators chose to tell the children of nine districts that they didn't matter; eleven senators chose to shatter the dream of an equal education for the children of Bush Alaska; and eleven senators chose to tell the people in those communities that if their legislators were not in the majority, then the children of those communities would be made to suffer.

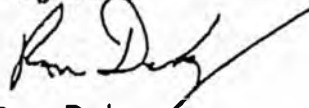
Representative Nicholla, why would these eleven senators do this to any children, much less those who are disadvantaged? Don't they realize that in many of these communities most of the children come from homes that have no running water or indoor plumbing at all, where there is not even the modicum of conveniences the majority of Alaska's children enjoy, and where the term "children at risk" means about 60% of the population? And now these eleven senators want to take away the remaining few things in which these disadvantaged children take pride? Have these eleven senators no conscience at all?

For our school district, cutting our single site appropriation means cutting \$122,400 or 10% of our entire budget. We don't have a forest to tax or an oil well; we are a poor community with no tax base. A 10% cut means we either cut teachers, about 2.5 FTE's, or we cut programs--either way, we hurt already disadvantaged kids! I'm sure you noticed how many of the single sites belonging to the eleven senators were not only funded, but also had tax bases to help with funding in the first place. These eleven senators should be ashamed!

When these senators took the oath of office to protect and defend the constitution of Alaska, it was to protect and defend it for all Alaskans, not just those in their constituency. **For these eleven senators to willfully attack defenseless children based upon who the children's legislators are, is clearly the legislative equivalent of child abuse and neglect.** Those of us in Bush Alaska will do anything we can to help you answer this abhorrent behavior which is completely unbecoming the office these eleven hold.

Finally, Representative Nicholia, please forgive me for being so blunt, but like you I cannot allow anyone to harm the children I serve or any other children in Alaska, for that matter. Isn't it sad that those eleven senators don't feel the same? Thank you for continuing to be a strong advocate for kids!

Regards,

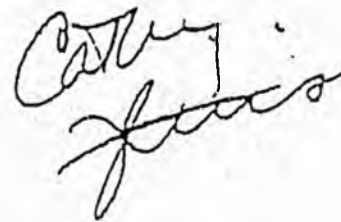


Ron DeLay  
Teacher & Superintendent  
Tanana City School

DATE: MARCH 10, 1993

TO: Senators Adams, Duncan, Donley, Ellis, Frank, Halford, Jacko, Kelly, Kortulla, Leman, Lincoln, Little, Miller, Pearce, Phillips, Rieger, Salo, Sharp, Taylor, and Zharoff

FROM: Cathy Filiris, Tanana City School  
District Board of Education President



RE: SCSCSHB45 (FIN)

Dear Senators,

As a single site district in rural Alaska, we are extremely outraged and upset by the Senate Majority's actions today in cutting our district from the single site supplemental in SCSCSHB45 (FIN) for what appears to be purely arbitrary, personal, and partisan political reasons. Essentially, you are holding our children hostage to your own internal politics with no justifiable rationale. You may have been elected from one district, but when you took the oath of office, you swore to uphold the constitution and advocate for the best interests of all the people of Alaska, especially the children.

The supplemental of \$122,000 comprises 10% of our budget. We would have to cut 2.5 FTE in our professional staff increasing not only the pupil-teacher ratio but the difficulty in providing an adequate basic K-12 education to all of our students. With no relief for reducing staff by program rather than seniority, we would have to RIF our 4th-5th grade teacher, our secondary math and science teacher, and our kindergarten teacher. At present, we now provide 6 world class years of math, language arts, and science to 100% of our secondary kids. Why would you even consider cutting back the funds for educating predominantly rural, native kids who are already disadvantaged in so many ways? We can't even make up the difference in the funding as we have very little tax base or local economy. We have already been held at the same amount of state funding since 1986 with no increases or inflation proofing and additionally, we have had to beg for the extra amount that it takes to run a small school district every year.

We urge you to set aside your petty personal politics, act responsibly for all of the children at all of the single site districts in Alaska, and pass the Single Site Supplemental funding for all of the districts.

Tanana City School District

RECEIVED MAR 10 1993

**YAKUTAT SCHOOL DISTRICT**  
CITY AND BOROUGH OF YAKUTAT

Larry Eklund Superintendent

P.O. BOX 429 • YAKUTAT, ALASKA 99629 • (907) 784-3317

March 10, 1993

Dear Senator Zharoff:

The Yakutat School District and other single site school districts have been trying to reach some equality in the foundation formula for some time. The legislature has responded favorably to this issue in the past. The Senate finance committee today dropped Galena, Hydaburg, Hoonah, Kake, Klawock, Pelican, Skagway, Tanana, as well as Yakutat from the list to receive funding for FY94. This would be tragic for our school district and the quality of education for our students.

Currently, Yakutat School District has an elementary school building and a secondary school building. This District is run by one administrator who serves as the principals and superintendent. The number of programs that we have available for our students is minimal. We have reduced operating costs by tapping into a waste heat system, reduced maintenance costs for grounds and the parking lot, not purchasing much needed equipment, and maximizing staff use. The question would be "CUT WHAT?"

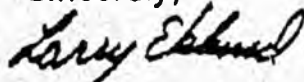
No single site supplemental funding would mean a reduction in our budget of 7%. Based on extremely conservative estimates we have had a cost of living increase of 2%. These two items combined would have a net effect of a 9% reduction in budgetary potential.

This could mean a reduction of 2 teachers, fewer supplies and materials while trying to restructure our curriculum, or reduction of support staff.

Why are we penalizing the students of the Yakutat School District by decreasing programs and opportunities to such a low level? We are supposed to be improving education, but this move would certainly not do anything for equality of education in Alaska. This money or equivalent funding is crucial to Yakutat.

If this is indeed a political game, please do not use the education of children as the pawns.

Sincerely;



Larry Eklund - supt.