

**SB**

**36**

**File 1**

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: March 13, 1998

FURTHER REFERRALS:

Finance

Date of Committee Action: 4/1/98

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

CSSB 36(FIN) am

CS FOR SENATE BILL NO. 36(FIN) am

**PUBLIC SCHOOL FUNDING**

“An Act relating to public schools; relating to the definition of a school district, to the transportation of students, to employment of chief school administrators, to school district layoff plans, to the special education service agency, and to the child care grant program; and providing for an effective date.”

recommends it be replaced with the following committee substitute HCS CS SB 36 (HES)  the same title  a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

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

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

fiscal note(s) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

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

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

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Paul Dymally</i>			✓	
<i>Joseph D. ...</i>		✓		
<i>Robert ...</i>	✓			
<i>...</i>		✓		
<i>Brian ...</i>			✓	
<i>Tom ...</i>				✓

CHAIR'S SIGNATURE *Carol ...*

# LEGAL SERVICES

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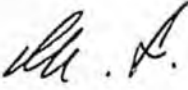
130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

## MEMORANDUM

April 3, 1998

**SUBJECT:** Sectional Summary of HCS CSSB 36(HES)

**TO:** Representative Con Bunde  
Attn: Lynne Smith

**FROM:** Michael F. Ford   
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Purpose section.

Section 2. Enacts new sections providing state funding for public schools.

Sec. 14.17.300 - Establishes the public school account and provides that money in the account can only be used for public schools, community school programs or centralized correspondence study.

Sec. 14.17.400 - Provides that state aid for a school district is the amount calculated under AS 14.17.410. Provides for a pro rata reduction in state aid if the amount appropriated is insufficient to meet the authorized amounts.

Sec. 14.17.410 - Establishes a formula for funding public schools. Under subsection (b) public school funding consists of state aid, a local contribution from both city or borough school districts and regional educational attendance areas and eligible federal impact aid. Subsection (b)(1) determines state aid, subsection (b)(2) determines the city or borough local contribution and (b)(3) is the regional educational attendance area local contribution. Subsection (c) establishes an optional local contribution for city or borough school districts. Subsection (d) prohibits state funding for a city or borough school district that does not make the local contribution required under subsection(b)(2). Subsection (e) is a transition provision for newly formed city or borough school districts. Subsection (f) provides additional state aid for newly formed city or borough school districts. Subsection (g)

provides that an R.E.A.A. is entitled to receive funds collected under AS 43.42 in that R.E.A.A.

Sec. 14.17.420 - Provides state funding for special needs children and for intensive services.

Sec. 14.17.430 - Provides state funding for the state centralized correspondence study program, for district state-wide correspondence programs and for district-only correspondence study programs.

Sec. 14.17.440 - Provides state funding for state boarding schools.

Sec. 14.17.450 - Establishes the school size factor for purposes of determining a school's public school funding.

Sec. 14.17.460 - Establishes a district cost factor for purposes of determining a district's adjusted ADM. Also requires the department to monitor the cost factors and provide proposed new factors to the legislature beginning January 15, 2001.

Sec. 14.17.470 - Establishes the base student allocation for purposes of determining a district's public school funding.

Sec. 14.17.500 - Requires certain student count data be reported to the department.

Sec. 14.17.505 - Establishes requirements concerning year-end fund balances for a school district. Establishes a penalty for violating this section.

Sec. 14.17.510 - Requires the Department of Community and Regional Affairs to determine the value of taxable real and personal property for purposes of calculating a city or borough school district's local contribution.

Sec. 14.17.520 - Imposes a minimum expenditure for instruction requirement on school districts.

Sec. 14.17.600 - Establishes student count reporting deadlines for school districts.

Sec. 14.17.610 - Establishes a payment schedule for state funding for school districts. Requires excess funding be returned to the state and provides for advance payments at the discretion of the commissioner.

Sec. 14.17.900 - Provides that AS 14.17 does not create a debt of the state. Requires each district to operate under a balanced budget. Provides for pro rata reduction of state funding.

Sec. 14.17.910 - Establishes requirements regarding receipt and expenditure of district public school funding.

Sec. 14.17.920 - Requires the department to adopt regulations to implement AS 14.17.

Sec. 14.17.990 - Definitions.

Section 3. Repeals a provision requiring a report be provided to the chief school administrator.

Section 4. Technical amendment.

Section 5. Technical amendment.

Section 6. Technical amendment.

Section 7. Technical amendment.

Section 8. Technical amendment.

Section 9. Requires the department to develop certain student performance standards and a student assessment system.

Section 10. Allows an R.E.A.A. school board to employ a chief school administrator.

Section 11. Repeals a requirement that the R.E.A.A. school board must employ a chief school administrator.

Section 12. Requires school districts be reimbursed for student transportation system costs at certain percentages.

Section 13. Technical amendment.

Section 14. Technical amendment.

Section 15. Provides that a city or borough school district may employ a chief school administrator.

Section 16. Requires a chief school administrator to follow school board policy.

Section 17. Requires that employees hired by a chief school administrator are subject to school board approval.

Section 18. Repeals a requirement that state boarding schools hire a chief school administrator.

Section 19. Technical amendment.

**Section 20.** Technical amendment.

**Section 21.** Repeals a requirement that limited teacher certificates be requested through the chief school administrator.

**Section 22.** Amends a provision relating to transfers of teachers.

**Section 23.** Amends a provision relating to intra district teacher assignments.

**Section 24.** Technical amendment.

**Section 25.** Technical amendment.

**Section 26.** Provides that an exceptional child shall be transported with other children if the district provides transportation to other children in the district.

**Section 27.** Provides a funding formula for the special education service agency and provides that if certain special education appropriations are insufficient, the allocation described in this section shall be reduced on a pro rata basis.

**Section 28.** Technical amendment.

**Section 29.** Technical amendment.

**Section 30.** Technical amendment.

**Section 31.** Technical amendment.

**Section 32.** Technical amendment.

**Section 33.** Establishes an employment tax in the unorganized borough, provides for imposition, collection, reporting, and remittance of the tax. Provides a credit against the tax for amounts paid in taxes in other areas.

**Section 34.** Provides that child care facility grants shall be adjusted by the same factor as school district funding under AS 14.17.460.

**Section 35.** Repealers.

**Section 36.** Establishes a two year transition period for public school funding.

**Section 37.** Provides that regulations adopted before the effective date of this Act remain in effect if consistent with the provisions of this Act. Requires the department to define by regulation, the term "school".

Representative Con Bunde  
April 3, 1998  
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**Section 38.** Requires the initial proposed district cost factors be submitted to the department by January 15, 2001.

**Section 39.** Imposes a two year transition period for the base student allocation.

**Section 40.** Establishes a two year transition period for the minimum expenditure for instruction requirement imposed under AS 14.17.520.

**Section 41.** Provides that the employment tax imposed by sec. 36 applies to compensation and self-employment earnings received on or after January 1, 2001.

**Section 42.** Transition provision for special education funding.

**Section 43.** Effective date.

MFF:glc  
98-208.glc

HOUSE CS FOR CS FOR SENATE BILL NO. 36(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATORS PHILLIPS, Taylor, Halford, Wilken, Torgerson

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to public schools; relating to the definition of a school district,  
2 to the transportation of students, to employment of chief school administrators, to  
3 school district layoff plans, to the special education service agency, and to the  
4 child care grant program; and providing for an effective date."

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

6 \* Section 1. PURPOSE. The purposes of sec. 2 of this Act are to

7 (1) provide a level of funding through the public school funding program that  
8 allows for an equitable level of educational opportunities for those students attending the  
9 public schools of the state;

10 (2) provide an equitable level of funding to each school within a school  
11 district; and

12 (3) impose a public school local contribution requirement on regional  
13 educational attendance areas by imposition of a three percent employment tax in the  
14 unorganized borough.

1 \* **Sec. 2.** AS 14.17 is amended by adding new sections to read:

2 **Article 1. State Aid to Public Schools.**

3 **Sec. 14.17.300. Public school account.** (a) The public school account is  
4 established. The account consists of appropriations for distribution to school districts,  
5 the state boarding school, and for centralized correspondence study under this chapter.

6 (b) The money in the account may be used only in aid of public schools,  
7 including community school programs, and for centralized correspondence study  
8 programs under this chapter.

9 **Sec. 14.17.400. State aid for districts.** (a) The state aid for which a school  
10 district is eligible in a fiscal year is equal to the amount for which a district qualifies  
11 under AS 14.17.410.

12 (b) If the amount in the public school account is insufficient to meet the  
13 amounts authorized under (a) of this section for a fiscal year, the department shall  
14 reduce pro rata each district's basic need by the necessary percentage as determined  
15 by the department. If the basic need of each district is reduced under this subsection,  
16 the department shall also reduce state funding for centralized correspondence study and  
17 the state boarding school by the same percentage.

18 **Sec. 14.17.410. Public school funding.** (a) A district is eligible for public  
19 school funding in an amount equal to the sum calculated under (b) and (c) of this  
20 section.

21 (b) Public school funding consists of state aid, a required local contribution,  
22 and eligible federal impact aid determined as follows:

23 (1) state aid equals basic need minus a required local contribution and  
24 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum  
25 obtained under (D) of this paragraph, multiplied by the base student allocation set out  
26 in AS 14.17.470; district adjusted ADM is calculated as follows:

27 (A) the ADM of each school in the district is calculated by  
28 applying the school size factor to the student count as set out in AS 14.17.450;

29 (B) the number obtained under (A) of this paragraph is  
30 multiplied by the district cost factor described in AS 14.17.460;

31 (C) the ADMs of each school in a district, as adjusted according

1 to (A) and (B) of this paragraph, are added; the sum is then multiplied by the  
2 special needs factor set out in AS 14.17.420(a)(1);

3 (D) the number obtained for intensive services under  
4 AS 14.17.420(a)(2) and the number obtained for correspondence study under  
5 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

6 (2) the required local contribution of a city or borough school district  
7 is the equivalent of a four mill tax levy on the full and true value of the taxable real  
8 and personal property in the district as of January 1 of the second preceding fiscal  
9 year, as determined by the Department of Community and Regional Affairs under  
10 AS 14.17.510 and AS 29.45.110, not to exceed 100 percent of a district's basic need  
11 for the preceding fiscal year as determined under (1) of this subsection;

12 (3) the local contribution of a regional educational attendance area is  
13 equal to the employment tax imposed under AS 43.42 that is collected in the previous  
14 fiscal year from individuals, including nonresidents, employed in the regional  
15 educational attendance area.

16 (c) In addition to the local contribution required under (b)(2) of this section,  
17 a city or borough school district in a fiscal year may make a local contribution of not  
18 more than the greater of

19 (1) the equivalent of a two mill tax levy on the full and true value of  
20 the taxable real and personal property in the district as of January 1 of the second  
21 preceding fiscal year, as determined by the Department of Community and Regional  
22 Affairs under AS 14.17.510 and AS 29.45.110; or

23 (2) 23 percent of the district's basic need for the fiscal year under  
24 (b)(1) of this section.

25 (d) State aid may not be provided to a city or borough school district if the  
26 local contributions required under (b)(2) of this section have not been made.

27 (e) If a city or borough school district is established after July 1, 1998, for the  
28 first three fiscal years in which the city or borough school district operates schools,  
29 local contributions may be less than the amount that would otherwise be required  
30 under (b)(2) of this section, except that

31 (1) in the second fiscal year of operations, local contributions must be

1 at least the greater of

2 (A) the local contributions, excluding federal impact aid, for the  
3 previous fiscal year; or

4 (B) the sum of 10 percent of the district's eligible federal  
5 impact aid for that year and the equivalent of a two mill tax levy on the full  
6 and true value of the taxable real and personal property in the city or borough  
7 school district as of January 1 of the second preceding fiscal year, as  
8 determined by the Department of Community and Regional Affairs under  
9 AS 14.17.510 and AS 29.45.110; and

10 (2) in the third year of operation, local contributions must be at least  
11 the greater of

12 (A) the local contributions, excluding federal impact aid, for the  
13 previous fiscal year; or

14 (B) the sum of 10 percent of the district's eligible federal  
15 impact aid for that year and the equivalent of a three mill tax levy on the full  
16 and true value of the taxable real and personal property in the district as of  
17 January 1 of the second preceding fiscal year, as determined by the Department  
18 of Community and Regional Affairs under AS 14.17.510 and AS 29.45.110.

19 (f) A school district is eligible for additional state aid in the amount by which  
20 the local contributions that would otherwise have been required under (b)(2) of this  
21 section exceed the district's actual local contributions under (e) of this section.

22 (g) In the fiscal year following the fiscal year of collection, a regional  
23 educational attendance area is, subject to appropriation, entitled to receive money  
24 collected under AS 43.42 in that regional educational attendance area.

25 **Sec. 14.17.420. Special needs and intensive services funding.** (a) As a  
26 component of public school funding, a district is eligible for special needs funding and  
27 may be eligible for intensive services funding as follows:

28 (1) special needs funding is available to a district to assist the district  
29 in providing special education, gifted and talented education, vocational education, and  
30 bilingual education services to its students; a special needs funding factor of 1.20 shall  
31 be applied as set out in AS 14.17.410(b)(1);

1 (2) in addition to the special needs funding for which a district is  
 2 eligible under (1) of this subsection, a district is eligible for intensive services funding  
 3 for each special education student who needs and receives intensive services and is  
 4 enrolled on the last day of the count period; for each such student, intensive services  
 5 funding is equal to the intensive student count multiplied by five.

6 (b) A district is not eligible to receive funding under (a) of this section unless  
 7 the district has on file with the department a plan that indicates the services that will  
 8 be provided to students who receive special education, gifted and talented education,  
 9 vocational education, and bilingual education services.

10 (c) In this section, "intensive services" has the meaning given by the  
 11 department by regulation adopted under AS 14.30.180 - 14.30.350.

12 **Sec. 14.17.430. State funding for correspondence study.** Except as provided  
 13 in AS 14.17.400(b), funding for

14 (1) the state centralized correspondence study program or a district that  
 15 offers a statewide correspondence study program includes an allocation from the public  
 16 school account in an amount calculated by multiplying the ADM of the correspondence  
 17 program by the base student allocation and multiplying that product by 65 percent; and

18 (2) a district correspondence program includes an allocation from the  
 19 public school account in an amount calculated by multiplying the ADM of the district  
 20 correspondence program by the base student allocation.

21 **Sec. 14.17.440. State funding for state boarding schools.** (a) Except as  
 22 provided in AS 14.17.400(b), funding for state boarding schools established under  
 23 AS 14.16.010 includes an allocation from the public school account in an amount  
 24 calculated by

25 (1) determining the ADM of state boarding schools by applying the  
 26 school size factor to the student count as described in AS 14.17.450;

27 (2) multiplying the number obtained under (1) of this subsection by the  
 28 special needs factor in AS 14.17.420(a)(1) and multiplying that product by the base  
 29 student allocation; and

30 (3) multiplying the product determined under (2) of this subsection by  
 31 the district cost factor that is applicable to calculation of the state aid for the adjacent

1 school district under AS 14.17.460.

2 (b) State boarding schools are also eligible for intensive services funding under  
3 AS 14.17.420(a)(2).

4 **Sec. 14.17.450. School size factor.** (a) For purposes of calculating a school's  
5 ADM to determine state aid, the ADM of each school in a district shall be computed  
6 by applying the following formula:

7 If the student count		8 The adjusted student count is			9 The number of	
10 in a school is					11 students in	
12 At least	13 But less than	14 Base	15 Multiplier		16 excess of	
17 10	- 20	39.6				
18 20	- 30	39.6	+	(1.62	x	20)
19 30	- 75	55.8	+	(1.49	x	30)
20 75	- 150	122.85	+	(1.27	x	75)
21 150	- 250	218.1	+	(1.08	x	150)
22 250	- 400	326.1	+	(0.97	x	250)
23 400	- 750	471.6	+	(0.92	x	400)
24 750 or over		793.6	+	(0.84	x	750).

25 (b) If the ADM in a school is less than 10, those students shall be included in  
26 the ADM of the school in that district with the highest ADM as determined by the  
27 most recent student count data for that district.

28 **Sec. 14.17.460. District cost factors.** (a) For purposes of calculating a  
29 district's adjusted ADM under AS 14.17.410(b)(1), the district cost factor for a school  
30 district is as follows:

31 DISTRICT	DISTRICT COST FACTOR
Alaska Gateway	1.291
Aleutians East	1.423
Aleutians Region	1.736
Alyeska Central School	1.000
Anchorage	1.000
Annette Island	1.011

1	Bering Strait	1.525
2	Bristol Bay	1.262
3	Chatham	1.120
4	Chugach	1.294
5	Copper River	1.176
6	Cordova	1.096
7	Craig	1.010
8	Delta/Greely	1.106
9	Denali	1.313
10	Dillingham	1.254
11	Fairbanks	1.039
12	Galena	1.348
13	Haines	1.008
14	Hoonah	1.055
15	Hydaburg	1.085
16	Iditarod	1.470
17	Juneau	1.005
18	Kake	1.025
19	Kashunamiut	1.389
20	Kenai Peninsula	1.004
21	Ketchikan	1.000
22	Klawock	1.017
23	Kodiak Island	1.093
24	Kuspuk	1.434
25	Lake and Peninsula	1.558
26	Lower Kuskokwim	1.491
27	Lower Yukon	1.438
28	Matanuska-Susitna	1.010
29	Mt. Edgecumbe	1.000
30	Nenana	1.270
31	Nome	1.319

1	North Slope	1.504
2	Northwest Arctic	1.549
3	Pelican	1.290
4	Petersburg	1.000
5	Pribilof	1.419
6	Sitka	1.000
7	Skagway	1.143
8	Southeast Island	1.124
9	Southwest Region	1.423
10	St. Mary's	1.351
11	Tanana	1.496
12	Unalaska	1.245
13	Valdez	1.095
14	Wrangell	1.000
15	Yakutat	1.046
16	Yukon Flats	1.668
17	Yukon/Koyukuk	1.502
18	Yupit	1.469.

(b) The department shall monitor the cost factors established under (a) of this section and shall prepare and submit to the legislature by January 15 of every other fiscal year proposed district cost factors. In determining the proposed district cost factors, the department shall consider cost-of-living changes as measured by the Anchorage Consumer Price Index for all urban consumers.

**Sec. 14.17.470. Base student allocation.** The base student allocation is \$3,944.

**Article 2. Preparation of Public School Funding Budget.**

**Sec. 14.17.500. Student count estimate.** (a) A district shall prepare and submit to the department by November 5 of each fiscal year, in the manner and on forms prescribed by the department, an estimate of its ADM and other student count data, including per school student count data, for the succeeding fiscal year upon which computations can be made to estimate the amount of state aid for which the

1 district may be eligible under AS 14.17.400 in the succeeding fiscal year. In making  
2 its report, the district shall consider its ADM, other student count data, the pattern of  
3 growth or decline of the student population in preceding years, and other pertinent  
4 information available to the district.

5 (b) Part-time students shall be included in the student count data in accordance  
6 with regulations adopted by the department.

7 **Sec. 14.17.505. Fund balance in school operating fund.** (a) A district may  
8 not accumulate in a fiscal year an unreserved portion of its year-end fund balance in  
9 its school operating fund, as defined by department regulations, that is greater than 10  
10 percent of its expenditures for that fiscal year.

11 (b) The department shall review each district's annual audit under  
12 AS 14.14.050 for the preceding fiscal year to ascertain its year-end operating fund  
13 balance. The amount by which the unreserved portion of that balance exceeds the  
14 amount permitted in (a) of this section shall be deducted from the state aid that would  
15 otherwise be paid to the district in the current fiscal year.

16 **Sec. 14.17.510. Determination of full and true value by Department of**  
17 **Community and Regional Affairs.** (a) To determine the amount of required local  
18 contribution under AS 14.17.110(b)(2) and to aid the department and the legislature  
19 in planning, the Department of Community and Regional Affairs, in consultation with  
20 the assessor for each district in a city or borough, shall determine the full and true  
21 value of the taxable real and personal property in each district in a city or borough.  
22 If there is no local assessor or current local assessment for a city or borough school  
23 district, then the Department of Community and Regional Affairs shall make the  
24 determination of full and true value from information available. In making the  
25 determination, the Department of Community and Regional Affairs shall be guided by  
26 AS 29.45.110. The determination of full and true value shall be made by October 1  
27 and sent by certified mail, return receipt requested, on or before that date to the  
28 president of the school board in each city or borough school district. Duplicate copies  
29 shall be sent to the commissioner. The governing body of a city or borough that is a  
30 school district may obtain judicial review of the determination. The superior court  
31 may modify the determination of the Department of Community and Regional Affairs

1 only upon a finding of abuse of discretion or upon a finding that there is no substantial  
2 evidence to support the determination.

3 (b) Motor vehicles subject to the motor vehicle registration tax under  
4 AS 28.10.431 shall be treated as taxable property under this section.

5 **Sec. 14.17.520. Minimum expenditure for instruction.** (a) A district shall  
6 budget for and spend a minimum of 70 percent of its school operating expenditures in  
7 each fiscal year on the instructional component of the district budget.

8 (b) The commissioner shall reject a district budget that does not comply with  
9 (a) of this section and, unless a waiver has been granted by the board under (d) of this  
10 section, shall withhold payments of state aid from that district, beginning with the  
11 payment for the second full month after rejection and continuing until the school board  
12 of the district revises the district budget to comply with (a) of this section.

13 (c) The commissioner shall review the annual audit of each district for  
14 compliance with the expenditure requirements of (a) of this section. If the  
15 commissioner determines that a district does not meet those requirements, the  
16 commissioner shall advise the district of the determination, calculate the amount of the  
17 deficiency, and deduct that amount from state aid paid to the district for the current  
18 fiscal year. A deduction in state aid required under this subsection begins with the  
19 payment for the second full month after the determination, unless a waiver has been  
20 granted by the board under (d) of this section.

21 (d) A district that has been determined by the commissioner to be out of  
22 compliance with the requirements of this section may, within 20 days of the  
23 commissioner's determination, request a waiver by the board of the imposition by the  
24 commissioner of any reduction in state aid payments under (b) or (c) of this section.  
25 The request must be in writing and must include an analysis of the reasons and causes  
26 for the district's inability to comply with the requirements of this section. The board  
27 shall either grant or deny the waiver. The request must also be submitted to the  
28 Legislative Budget and Audit Committee, which shall review the district's request and  
29 forward the committee's recommendations on it to the board.

30 (e) The commissioner shall submit an annual report on actions taken by the  
31 commissioner or the board under this section to the Legislative Budget and Audit

1 Committee by April 15 of each year.

2 (f) In this section, "instructional component" includes expenditures for teachers  
3 and for pupil support services.

4 **Article 3. Procedure for Payments of State Aid.**

5 **Sec. 14.17.600. Student counting periods.** (a) Within two weeks after the  
6 end of the 20-school-day period ending the fourth Friday in October, each district shall  
7 transmit a report to the department that, under regulations adopted by the department,  
8 reports its ADM for that counting period and other student count information that will  
9 aid the department in making a determination of its state aid under the public school  
10 funding program. For centralized correspondence study, the October report shall be  
11 based on the period from July 1 through the fourth Friday in October, except that  
12 summer school students shall be counted as a proportionate fraction as determined by  
13 the department. The department may make necessary corrections in the report  
14 submitted and shall notify the district of changes made. The commissioner shall notify  
15 the governor of additional appropriations the commissioner estimates to be necessary  
16 to fully finance the public school funding program for the current fiscal year.

17 (b) Upon written request and for good cause shown, the commissioner may  
18 permit a district to use a 20-school-day counting period other than the period set out  
19 in (a) of this section. However, a counting period approved under this subsection must  
20 be 20 consecutive school days unless one or more alternate counting periods are  
21 necessary to permit a district to implement flexible scheduling that meets the district's  
22 needs and goals without jeopardizing the state aid for which the district would be  
23 ordinarily be eligible under this chapter.

24 **Sec. 14.17.610. Distribution of state aid.** (a) The department shall determine  
25 the state aid for each school district in a fiscal year on the basis of the district's  
26 student count data reported under AS 14.17.600. On or before the 15th day of each  
27 of the first nine months of each fiscal year, one-twelfth of each district's state aid shall  
28 be distributed on the basis of the data reported for the preceding fiscal year. On or  
29 before the 15th day of each of the last three months of each fiscal year, one-third of  
30 the balance of each district's state aid shall be distributed, after the balance has been  
31 recomputed on the basis of student count and other data reported for the current fiscal

1 year.

2 (b) Distribution of state aid under (a) of this section shall be made as required  
3 under AS 14.17.410. If a district receives more state aid than it is entitled to receive  
4 under this chapter, the district shall immediately remit the amount of overpayment to  
5 the commissioner, to be returned to the public school account. The department may  
6 make adjustments to a district's state aid to correct underpayments made in previous  
7 fiscal years.

8 (c) Upon an adequate showing of a cash flow shortfall of a district, and in the  
9 discretion of the commissioner, the department may make advance payments to a  
10 district. The total of advance payments may not exceed the amount of state aid for  
11 which the district is eligible for the fiscal year.

#### 12 Article 4. General Provisions.

13 **Sec. 14.17.900. Construction and implementation of chapter.** (a) This  
14 chapter does not create a debt of the state. Each district shall establish, maintain, and  
15 operate under a balanced budget. The state is not responsible for the debts of a school  
16 district.

17 (b) Money to carry out the provisions of this chapter may be appropriated  
18 annually by the legislature into the public school account. If the amount in the  
19 account is insufficient to meet the allocations authorized under AS 14.17.400 -  
20 14.17.470 for a fiscal year, state aid shall be reduced according to AS 14.17.400(b).

21 **Sec. 14.17.910. Restrictions governing receipt and expenditure of district**  
22 **money.** (a) Each district shall maintain complete financial records of the receipt and  
23 disbursement of state aid, money acquired from local effort, and other money received  
24 or held by the district. The records must be in the form required by the department  
25 and are subject to audit by the department at a time and place designated by the  
26 department.

27 (b) State aid provided under this chapter is for general operational purposes  
28 of the district. All district money, including state aid, shall be received, held,  
29 allocated, and expended by the district under applicable local law and state and federal  
30 constitutional provisions, statutes, and regulations, including those related to ethical  
31 standards and accounting principles.

1           **Sec. 14.17.920. Regulations.** The department shall adopt regulations necessary  
2 to implement this chapter.

3           **Sec. 14.17.990. Definitions.** In this chapter, unless the context requires  
4 otherwise,

5           (1) "ADM or average daily membership" means the aggregate number  
6 of full-time equivalent students enrolled in a school district during the student count  
7 period for which a determination is being made, divided by the actual number of days  
8 that school is in session for the student count period for which the determination is  
9 being made;

10          (2) "district" means a city or borough school district or a regional  
11 educational attendance area;

12          (3) "district adjusted ADM" means the number resulting from the  
13 calculations under AS 14.17.410(b)(1);

14          (4) "district ADM" means the sum of the ADMs in a district;

15          (5) "eligible federal impact aid" means the amount of federal impact  
16 aid received by a district as of March 1 of the fiscal year as a result of an application  
17 submitted in the preceding fiscal year, including advance payments and adjustments  
18 received since March 1 of the preceding fiscal year from prior year applications, under  
19 20 U.S.C. 7701 - 7714, except payments received under 20 U.S.C. 7703(f)(2)(B), to  
20 the extent the state may consider that aid as local resources under federal law;

21          (6) "local contribution" means appropriations and the value of in-kind  
22 services made by a district;

23          (7) "taxable real and personal property" means all real and personal  
24 property taxable under the laws of the state.

25 \* **Sec. 3.** AS 14.03.120(d) is amended to read:

26           (d) Each public school shall, by May 31 of each year, prepare a report on the  
27 school's performance and the performance of the school's students. The report shall  
28 be presented to parents, students, and community members at a public meeting [AND  
29 FORWARDED TO THE CHIEF SCHOOL ADMINISTRATOR OF THE DISTRICT].

30 \* **Sec. 4.** AS 14.03.120(g) is amended to read:

31           (g) In this section, "district" has the meaning given in AS 14.17.990

1 [AS 14.17.250].

2 \* Sec. 5. AS 14.03.125(e) is amended to read:

3 (e) In this section, "district" has the meaning given in AS 14.17.990  
4 [AS 14.17.250].

5 \* Sec. 6. AS 14.03.150(c) is amended to read:

6 (c) The department may not award a school construction or major maintenance  
7 grant under AS 14.11 to a municipality that is a school district or a regional  
8 educational attendance area that is not in compliance with (a) of this section. The  
9 department shall reduce the amount of state [FOUNDATION] aid under AS 14.17.400  
10 [AS 14.17.021] for which a school district may qualify [,] by the amount, if any, paid  
11 by the department under (b) of this section.

12 \* Sec. 7. AS 14.03.160(f)(2) is amended to read:

13 (2) "district" has the meaning given in AS 14.17.990 [AS 14.17.250].

14 \* Sec. 8. AS 14.03.260(c) is amended to read:

15 (c) The charter school shall provide the financial and accounting information  
16 requested by the local school board or the Department of Education [,] and shall  
17 cooperate with the local school district or the department in complying with the  
18 requirements of AS 14.17.910 [AS 14.17.190].

19 \* Sec. 9. AS 14.07.020 is amended by adding a new subsection to read:

20 (c) In implementing its duties under (a)(2) of this section, the department shall  
21 develop

22 (1) performance standards in reading, writing, and mathematics to be  
23 met at designated age levels by each student in public schools in the state; and

24 (2) a comprehensive system of student assessments, composed of  
25 multiple indicators of proficiency in reading, writing, and mathematics; this  
26 comprehensive system must

27 (A) be made available to all districts and regional educational  
28 attendance areas;

29 (B) include a developmental profile for students entering  
30 kindergarten or first grade; and

31 (C) include performance standards in reading, writing, and

1 mathematics for students in age groups five through seven, eight through 10,  
 2 and 11 - 14.

3 \* **Sec. 10.** AS 14.08.101 is amended by adding a new paragraph to read:

4 (11) employ a chief school administrator.

5 \* **Sec. 11.** AS 14.08.111(3) is amended to read:

6 (3) [EMPLOY A CHIEF SCHOOL ADMINISTRATOR AND] approve  
 7 the employment of the professional administrators, teachers, and noncertificated  
 8 personnel necessary to operate its schools;

9 \* **Sec. 12.** AS 14.09.010(b) is repealed and reenacted to read:

10 (b) A school district that enters into a contract described under (a)(1) of this  
 11 section shall be reimbursed for

12 (1) at least 90 percent of the cost of operating the student transportation  
 13 system if the transportation is provided by the school district; and

14 (2) 100 percent of the cost of operating the student transportation  
 15 system when the transportation is provided under a contract with the school district.

16 \* **Sec. 13.** AS 14.11.008(b) is amended to read:

17 (b) The required participating share for a municipal school district is based on  
 18 the district's full value per average daily membership (ADM), which is calculated  
 19 by dividing the full and true value of the taxable real and personal property in the  
 20 district, calculated as described in AS 14.17.510 [AS 14.17.025(a)(1),] by the district  
 21 ADM [AVERAGE DAILY MEMBERSHIP (ADM)] as defined in AS 14.17.990  
 22 [AS 14.17.250], for the same fiscal year for which the valuation was made. The  
 23 municipal district's full value per ADM determines the district's required participating  
 24 share, as follows:

Full Value Per ADM	District Participating Share
\$1 - \$100,000	5 percent
100,001 - 200,000	10 percent
200,001 - 600,000	30 percent
over 600,000	35 percent.

30 \* **Sec. 14.** AS 14.14.115(c)(2) is amended to read:

31 (2) "district" has the meaning given in AS 14.17.990 [AS 14.17.250].

1 \* Sec. 15. AS 14.14.130(a) is amended to read:

2 (a) A [EACH] school board may [SHALL] select and employ a qualified  
3 person as the chief school administrator for the district. In this subsection, "employ"  
4 includes employment by contract.

5 \* Sec. 16. AS 14.14.130(b) is amended to read:

6 (b) If the district employs a [THE] chief school administrator, the  
7 administrator [OF THE DISTRICT] shall administer the district in accordance with  
8 the policies that the school board prescribes by bylaw.

9 \* Sec. 17. AS 14.14.130(c) is amended to read:

10 (c) If the district employs a [THE] chief school administrator, the  
11 administrator shall select, appoint, and otherwise control all school district employees  
12 that serve under the chief school administrator subject to the approval of the school  
13 board.

14 \* Sec. 18. AS 14.16.020(2) is amended to read:

15 (2) [EMPLOY CHIEF SCHOOL ADMINISTRATORS AND] approve  
16 the employment of [OTHER] personnel necessary to operate state boarding schools;

17 \* Sec. 19. AS 14.16.050(a)(2) is amended to read:

18 (2) requirements relating to the public school funding program  
19 [STATE FINANCIAL ASSISTANCE FOR EDUCATION] and the receipt and  
20 expenditure of that funding [ASSISTANCE]:

21 (A) AS 14.17.500 [AS 14.17.080] (relating to student count  
22 estimates);

23 (B) AS 14.17.505 [AS 14.17.082] (relating to school operating  
24 fund balances);

25 (C) AS 14.17.500 - 14.17.910 [AS 14.17.160 - 14.17.220]  
26 (setting out the procedure for payment of public school funding [FINANCIAL  
27 ASSISTANCE,] and imposing general requirements and limits on money paid);

28 \* Sec. 20. AS 14.16.080(a) is amended to read:

29 (a) AS 14.17.440 [AS 14.17.024] applies to the calculation of public school  
30 funding [STATE AID] payable for operation of a state boarding school.

31 \* Sec. 21. AS 14.20.025 is amended to read:

1           **Sec. 14.20.025. Limited teacher certificates.** Notwithstanding  
 2 AS 14.20.020(b), a person may be issued a limited certificate, valid only in the area  
 3 of expertise for which it is issued, to teach Alaska Native language or culture, military  
 4 science, or a vocational or technical course for which the board determines by  
 5 regulation that baccalaureate degree training is not sufficiently available. A limited  
 6 certificate may be issued under this section only if the school board of the district or  
 7 regional educational attendance area in which the person will be teaching  
 8 [, THROUGH THE CHIEF SCHOOL ADMINISTRATOR,] has requested its issuance.  
 9 A person who applies for a limited certificate shall demonstrate, as required by  
 10 regulations adopted by the board, instructional skills and subject matter expertise  
 11 sufficient to ensure the public that the person is competent as a teacher. The board  
 12 may require a person issued a limited certificate to undertake academic training as may  
 13 be required by the board by regulation and make satisfactory progress in the academic  
 14 training.

15 \* **Sec. 22.** AS 14.20.147(a) is amended to read:

16           (a) When an attendance area is transferred from a currently operating district  
 17 to, or absorbed into, a new or existing school district, the teachers for the attendance  
 18 area also shall be transferred unless otherwise mutually agreed by the teacher or  
 19 teachers and the chief school administrator of the new district if the district employs  
 20 a chief school administrator. Accumulated or earned benefits, including [BUT NOT  
 21 LIMITED TO,] seniority, salary level, tenure, leave, and retirement, accompany the  
 22 teacher who is transferred.

23 \* **Sec. 23.** AS 14.20.148 is amended to read:

24           **Sec. 14.20.148. Intradistrict teacher reassignments.** When a teacher is  
 25 involuntarily transferred or reassigned to a position for which the teacher is qualified,  
 26 within the district, the teacher's moving expenses shall be paid unless the one-way  
 27 driving distance is 20 miles or less from the teacher's present place of residence, or  
 28 unless otherwise mutually agreed by the teacher and chief school administrator of the  
 29 district if the district employs a chief school administrator.

30 \* **Sec. 24.** AS 14.20.177(a) is amended to read:

31           (a) A school district may implement a layoff plan under this section if it is

1 necessary for the district to reduce the number of tenured teachers because

2 (1) school attendance in the district has decreased; or

3 (2) the basic need of the school district determined under

4 AS 14.17.410(b)(1) [AS 14.17.021(c) AND ADJUSTED UNDER AS 14.17.225(b)]

5 decreases by three percent or more from the previous year.

6 \* Sec. 25. AS 14.30.305 is amended to read:

7 **Sec. 14.30.305. State support of programs for children hospitalized or**  
 8 **confined to their homes.** A child who is hospitalized or confined to home and who  
 9 receives at least 10 hours of special education and related services per week may be  
 10 counted as a pupil in average daily membership when computing state support under  
 11 the public school **funding** [FOUNDATION] program.

12 \* Sec. 26. AS 14.30.347 is amended to read:

13 **Sec. 14.30.347. Transportation of exceptional children.** When transportation  
 14 is required to be provided as related services, **an** exceptional **child** [CHILDREN] shall  
 15 be carried with other children **if the district provides transportation to other**  
 16 **children in the district** [,] except when the nature of **the** [THEIR] physical or mental  
 17 **disability** [DISABILITIES] is such that it is in the best interest of the exceptional  
 18 **child** [CHILDREN], as determined by the school district, that **the child** [THEY] be  
 19 transported separately. State reimbursement for transportation of exceptional children  
 20 shall be as provided for transportation of all other pupils except that eligibility for  
 21 reimbursement is not subject to restriction based on the minimum distance between the  
 22 school and the residence of the exceptional child.

23 \* Sec. 27. AS 14.30.650 is amended to read:

24 **Sec. 14.30.650. Funding.** Each fiscal year the department shall allocate to the  
 25 agency not less than **\$15.75 times the number of students in the state in average**  
 26 **daily membership in the preceding fiscal year as determined under AS 14.17.600.**  
 27 **Money to carry out the provisions of this section may be appropriated annually**  
 28 **by the legislature. If amounts are insufficient to meet the allocation authorized**  
 29 **under this section for a fiscal year, the allocation shall be reduced pro rata** [\$85  
 30 FOR EACH SPECIAL EDUCATION STUDENT IN THE STATE IN AVERAGE  
 31 DAILY MEMBERSHIP OR THE EQUIVALENT OF TWO PERCENT OF THE

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FUNDS APPROPRIATED FOR SPECIAL EDUCATION FOR THAT FISCAL YEAR, WHICHEVER IS GREATER]. The amount allocated to the agency shall be reduced each fiscal year by the amount contributed by the department to the Teachers' Retirement System (AS 14.25) or the Public Employees' Retirement System (AS 39.35) on behalf of employees of the agency.

\* Sec. 28. AS 14.36.030(a) is amended to read:

(a) A district operating a community school program under an approved plan of operation may receive an annual grant from the state of one-half of one percent of its public school funding [FOUNDATION SUPPORT] or \$10,000, whichever is greater.

\* Sec. 29. AS 29.45.020(a) is amended to read:

(a) If a municipality levies and collects property taxes, the governing body shall provide the following notice:

"NOTICE TO TAXPAYER

For the current fiscal year the (city)(borough) has been allocated the following amount of state aid for school and municipal purposes under the applicable financial assistance Acts:

PUBLIC SCHOOL <u>FUNDING</u> [FOUNDATION]	
PROGRAM [ASSISTANCE] (AS 14.17)	\$
STATE AID FOR RETIREMENT OF SCHOOL	
CONSTRUCTION DEBT (AS 14.11.100)	\$
MUNICIPAL TAX RESOURCE EQUALIZATION	
(AS 29.60.010 - 29.60.080)	\$
PRIORITY REVENUE SHARING FOR	
MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180)	\$
REVENUE SHARING FOR SAFE COMMUNITIES	
(AS 29.60.350 - 29.60.375)	\$
TOTAL AID	\$

The millage equivalent of this state aid, based on the dollar value of a mill in the municipality during the current assessment year and for the preceding assessment year, is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
1		
2		
3	<b>PUBLIC SCHOOL <u>FUNDING</u></b>	
4	[FOUNDATION] PROGRAM	
5	ASSISTANCE	. . . . MILLS . . . . MILLS
6	STATE AID FOR RETIREMENT	
7	OF SCHOOL CONSTRUCTION	
8	DEBT	. . . . MILLS . . . . MILLS
9	MUNICIPAL TAX RESOURCE	
10	EQUALIZATION	. . . . MILLS . . . . MILLS
11	PRIORITY REVENUE FOR SHARING	
12	MUNICIPAL SERVICES	. . . . MILLS . . . . MILLS
13	REVENUE SHARING FOR SAFE	
14	COMMUNITIES	. . . . MILLS . . . . MILLS
15	TOTAL MILLAGE	
16	EQUIVALENT	. . . . MILLS . . . . MILLS"

17 Notice shall be provided by

18 (1) [BY] furnishing a copy of the notice with tax statements mailed for  
19 the fiscal year for which aid is received; or

20 (2) [BY] publishing in a newspaper of general circulation in the  
21 municipality a copy of the notice once each week for a period of three successive  
22 weeks, with publication to occur not later than 45 days after the final adoption of the  
23 municipality's budget.

24 \* **Sec. 30.** AS 29.60.030(d) is amended to read:

25 (d) The full and true assessed property value shall be determined by the  
26 department in the manner provided for the computation of state aid to education under  
27 AS 14.17.510 [AS 14.17.140]. When the determination of locally generated revenue  
28 includes revenue of a utility received under AS 29.60.010(c)(1)(E), the full and true  
29 assessed property value must include the computed assessed value of the utility,  
30 determined by dividing the amount of the payment in place of taxes made by the  
31 utility by the millage rate that would apply to the utility if the utility were subject to

1 levy and collection of taxes under AS 29.45.

2 \* **Sec. 31.** AS 36.10.090(b) is amended to read:

3 (b) A local government or school district covered by the provisions of this  
4 chapter that is found to be in violation of these provisions may be required to forfeit  
5 all or part of the state aid made available for the project in which the violation occurs  
6 and in addition may be denied up to 12 months of state revenue sharing or public  
7 school funding [FOUNDATION MONEY]. A state department or agency head found  
8 to be in violation of this chapter may be required to forfeit the position of department  
9 or agency head.

10 \* **Sec. 32.** AS 36.10.125(c) is amended to read:

11 (c) In an action brought under (b) of this section, the court may, in its  
12 discretion, order denial of state revenue sharing or public school funding  
13 [FOUNDATION MONEY], forfeiture of office or position, or injunctive or other  
14 relief. If the court finds for the plaintiff in an action brought under (b) of this section,  
15 it may award the plaintiff an amount equal to the actual costs and attorney fees  
16 incurred by the plaintiff.

17 \* **Sec. 33.** AS 43 is amended by adding a new chapter to read:

18 **Chapter 42. Unorganized Borough Employment Tax.**

19 **Sec. 43.42.010. Purpose; nonresident taxation.** It is the purpose of this  
20 chapter to impose an employment tax on individuals who are employed in the  
21 unorganized borough, including those individuals who are nonresidents who are  
22 employed in the unorganized borough.

23 **Sec. 43.42.020. Tax imposed.** In each calendar year, there is levied an  
24 employment tax upon each individual who receives compensation for services  
25 performed in the unorganized borough outside of a home rule or first class city as an  
26 employee or receives self-employment earnings from business activities conducted in  
27 the unorganized borough outside of a home rule or first class city. The tax on an  
28 individual is three percent of

29 (1) compensation paid to that individual by an employer who has a  
30 business situs in the unorganized borough outside of a home rule or first class city for  
31 services performed in the unorganized borough outside of a home rule or first class

1 city in the calendar year as an employee of that employer;

2 (2) that individual's self-employment earnings from business activities  
3 conducted in the unorganized borough outside of a home rule or first class city in the  
4 calendar year.

5 **Sec. 43.42.030. Determination of business situs.** For purposes of  
6 AS 43.42.020, an employer has a business situs in the unorganized borough outside  
7 of a home rule or first class city if, at any time in the calendar year, an individual  
8 performs services in the unorganized borough outside of a home rule or first class city  
9 as an employee of that employer.

10 **Sec. 43.42.035. Credit against tax.** An individual is entitled to a tax credit  
11 against the tax levied on the individual by this chapter equal to the amount paid by the  
12 individual in taxes in a city or borough school district that is contributed to the school  
13 district. An individual may claim a credit under this section by providing proof of  
14 payment to the employer on a form approved by the Department of Labor or by  
15 providing proof satisfactory to the Department of Labor of payment of the tax in the  
16 city or borough school district.

17 **Sec. 43.42.040. Collection, reporting, and remittance of tax on employee**  
18 **compensation.** (a) An employer making payment of compensation for services  
19 performed in the unorganized borough outside of a home rule or first class city shall  
20 withhold from the payment the tax levied by this chapter. Unless a credit is allowed  
21 under AS 43.42.035, the employer shall withhold three percent of each payment of  
22 compensation and shall file a return and remit the taxes as required by (b) or (c) of  
23 this section.

24 (b) Except as provided in (c) of this section, the return required by this section  
25 must be filed, and the withheld taxes remitted, by the date the employer's regular  
26 quarterly report of employment security contributions under AS 23.20 is required to  
27 be filed. The employer shall file a return by reporting amounts withheld under this  
28 section during the preceding calendar quarter, and any additional information required  
29 by regulation adopted under AS 43.42.050(a), to the Department of Labor on forms  
30 provided by the Department of Labor together with the employer's regular quarterly  
31 report of employment security contributions under AS 23.20. With each return filed

1 under this subsection, the employer shall remit the taxes required to be withheld under  
2 this section during the preceding calendar quarter.

3 (c) An employer who is required to withhold and remit taxes under this section  
4 but who is not subject to the reporting requirements of AS 23.20 shall file a return and  
5 remit the taxes as required by this subsection. On or before the last day of the month  
6 following each calendar quarter in which taxes were withheld under this section, the  
7 employer shall file with the department a return on forms provided by the department  
8 and shall remit the taxes required to be withheld during the preceding calendar quarter.  
9 In the return, the employer shall report amounts withheld under this section during the  
10 preceding calendar quarter and any additional information required by regulation  
11 adopted under AS 43.42.050(a).

12 **Sec. 43.42.050. Administration of tax on employee compensation.** (a) After  
13 consultation with the Department of Labor, the department shall prescribe, by  
14 regulation, any additional information that must be included in a return filed under  
15 AS 43.42.040 in order for the department to calculate, determine, collect, or enforce  
16 the tax levied by this chapter. The Department of Labor shall include, on forms for  
17 reporting under AS 23.20, space designated for reporting amounts withheld under  
18 AS 43.42.040 and for providing any additional information required by department  
19 regulations. The department shall coordinate with the Department of Labor to  
20 maximize the use of existing reports to the department and to the Department of  
21 Labor.

22 (b) The Department of Labor shall provide to the department the information  
23 collected under AS 43.42.040 that relates to the tax levied by this chapter.

24 (c) The Department of Labor shall report to the department a failure of an  
25 employer to timely report or remit the tax levied by this chapter. The Department of  
26 Labor may not use the provisions of AS 23.20 to enforce the collection or remittance  
27 of the tax levied by this chapter. Reporting forms and other records relating to the tax  
28 levied by this chapter that are maintained by the Department of Labor are prima facie  
29 evidence of timely reporting and remittance, or failure to timely report or remit, under  
30 AS 43.42.040.

31 **Sec. 43.42.060. Administration and payment of tax on self-employment**

1 earnings. (a) An individual who is subject to the tax on self-employment earnings  
 2 levied by this chapter shall file a return with the department, and with the return shall  
 3 pay the tax, in the manner required by this section. The return must be filed on a form  
 4 provided by the department.

5 (b) The individual shall file a return for each calendar quarter in which the  
 6 individual had self-employment earnings and make a payment of three percent of the  
 7 individual's self-employment earnings in that quarter.

8 (c) Returns must be filed and payments made, as required by (b) of this  
 9 section, on or before the following dates:

10 (1) April 15, for the first calendar quarter of a year;

11 (2) July 15, for the second calendar quarter of a year;

12 (3) October 15, for the third calendar quarter of a year;

13 (4) January 15 of the following year, for the fourth calendar quarter of  
 14 a year.

15 **Sec. 43.42.070. Record of tax withheld from employees; refunds.** (a) An  
 16 employer who withholds tax under AS 43.42.040 shall furnish to the employee before  
 17 February 1 of each calendar year a record of the amount of tax withheld from that  
 18 employee's compensation in the preceding calendar year. The employer shall pay to  
 19 the department a penalty of \$10 for each failure to provide the record required by this  
 20 subsection.

21 (b) On or before April 15 of a calendar year, an individual may file with the  
 22 department, on forms provided by the department, a claim for the refund of excess tax  
 23 withheld or paid for the preceding calendar year. The individual shall attach the  
 24 records provided by employers or other proof of payment acceptable to the department  
 25 to support the refund claim.

26 **Sec. 43.42.080. Disposition of and accounting for tax proceeds.** (a) The  
 27 money collected by the department under this chapter shall be deposited in the general  
 28 fund of the state, and the proceeds from the tax shall be separately accounted for by  
 29 regional educational attendance area. A regional educational attendance area is, subject  
 30 to appropriation, entitled to receive money collected under this chapter from that area.  
 31 The legislature may appropriate the estimated balance of the account to the public

1 school account established under AS 14.17.300.

2 (b) In this section, "regional educational attendance area" means an area of the  
3 unorganized borough specified as an educational service area under AS 14.08.031(a).

4 **Sec. 43.42.090. Regulations.** The department may adopt regulations to  
5 interpret and implement this chapter.

6 **Sec. 43.42.099. Definitions.** In this chapter,

7 (1) "business activities" means activities or acts of a commercial,  
8 occupational, professional, or like nature, that are engaged in or caused to be engaged  
9 in with the object of financial or pecuniary gain, profit, or benefit; "business activities"  
10 does not include

11 (A) providing services as an employee;

12 (B) furnishing or selling of property, services, substances, or  
13 things by a person who does not represent to be regularly engaging in those  
14 transactions;

15 (C) an individual's investment or banking activities relating to  
16 that individual's personal property;

17 (2) "calendar quarter" means each of the three-month periods ending  
18 March 31, June 30, September 30, and December 31;

19 (3) "compensation for services" means gross wages, salaries, tips, and  
20 other remuneration paid to an employee by an employer; "compensation for services"  
21 does not include

22 (A) remuneration for attendance at events such as trade shows,  
23 conventions, or educational or scientific workshops or seminars; or

24 (B) compensation earned by a prisoner under AS 33 at a rate  
25 less than the minimum wage established under AS 23.10;

26 (4) "employer" means a person making payment of compensation for  
27 services who is required to deduct and withhold income taxes under provisions of  
28 26 U.S.C. (Internal Revenue Code);

29 (5) "individual" means a natural person who was 19 years of age or  
30 older on January 1 of a calendar year;

31 (6) "self-employment earnings" means gross receipts from a business

1 activity that are not paid by an employer less the expenses incurred to produce the  
2 gross receipts;

3 (7) "tax" means the employment tax levied by this chapter.

4 \* **Sec. 34.** AS 44.47.305(c) is amended to read:

5 (c) A grant under (a) of this section may not exceed \$50 per month for each  
6 child the child care facility cares for, or for each full-time equivalent, as determined  
7 by the department. The grant shall be adjusted on a geographic basis by the same  
8 factor [PERCENTAGES] as funding for a school district is [INSTRUCTIONAL  
9 UNIT ALLOTMENTS ARE] adjusted under AS 14.17.460 [AS 14.17.051].

10 \* **Sec. 35.** AS 14.16.050(a)(1)(G); AS 14.17.010, 14.17.021, 14.17.022, 14.17.024,  
11 14.17.025, 14.17.026, 14.17.031, 14.17.041, 14.17.043, 14.17.045, 14.17.047, 14.17.051,  
12 14.17.056, 14.17.080, 14.17.082, 14.17.140, 14.17.160, 14.17.170, 14.17.190, 14.17.200,  
13 14.17.210, 14.17.220, 14.17.225, 14.17.250; and AS 14.30.315(a) are repealed.

14 \* **Sec. 36.** TRANSITION: TRANSITION FUNDING. (a) Except as provided in (b) and  
15 (c) of this section, if, for a fiscal year beginning July 1, 1998, or July 1, 1999, a city or  
16 borough school district or a regional educational attendance area would receive less public  
17 school funding under AS 14.17.410, enacted by sec. 2 of this Act, than the district or area  
18 would have received as state aid for the fiscal year beginning July 1, 1998, the district or area  
19 is eligible to receive additional public school funding equal to a percentage of the difference  
20 between the state aid the district or area would have received for the fiscal year beginning  
21 July 1, 1998, and the public school funding the district or area is eligible to receive under  
22 AS 14.17.410, enacted by sec. 2 of this Act, according to the following table:

23 For the fiscal year beginning	Percentage of difference
24 July 1, 1998	75
25 July 1, 1999	50

26 (b) A city or borough school district is not eligible for additional funding authorized  
27 under (a) of this section unless, during the fiscal year beginning July 1, 1997, the district  
28 received the local contribution described under AS 14.17.025(a)(1), as that provision existed  
29 on the day before the effective date of this Act.

30 (c) For the purposes of the reduction required under AS 14.17.400(b), enacted by sec.  
31 2 of this Act, transition funding authorized under (a) of this section is treated the same as the

1 state share of public school funding under AS 14.17.410, enacted by sec. 2 of this Act.

2 (d) For purposes of this section, "state aid" means state foundation aid distributed  
3 under the provisions of AS 14.17, if those provisions had not been repealed by this Act, and  
4 additional district support appropriated by the legislature.

5 \* **Sec. 37. TRANSITION: REGULATIONS.** (a) To the extent the regulations are not  
6 inconsistent with the language and purposes of this Act, regulations relating to state aid for  
7 public schools adopted by the Department of Education before the effective date of this  
8 section remain in effect as valid regulations implementing this Act; all other regulations  
9 relating to state aid for public schools adopted by the Department of Education before the  
10 effective date of this section are annulled. The Department of Education may administer and  
11 enforce those previously adopted regulations relating to state foundation aid for public schools.

12 (b) The Department of Education shall, by regulation, define the term "school" for  
13 purposes of AS 14.17.

14 \* **Sec. 38. TRANSITION: PROPOSED DISTRICT COST FACTORS.** The Department  
15 of Education shall submit the initial proposed district cost factors, required under  
16 AS 14.17.460(b), enacted in sec. 2 of this Act, to the Alaska State Legislature by January 15,  
17 2001.

18 \* **Sec. 39. TRANSITION: BASE STUDENT ALLOCATION.** Notwithstanding  
19 AS 14.17.470, enacted in sec. 2 of this Act, the base student allocation is as follows:

20 For the fiscal year beginning	Base student allocation
21 July 1, 1998	\$3,856
22 July 1, 1999	\$3,889

23 \* **Sec. 40. TRANSITION: MINIMUM EXPENDITURE FOR INSTRUCTION.**  
24 Notwithstanding AS 14.17.520, enacted in sec. 2 of this Act, the minimum expenditure for the  
25 instructional component of the school district budget is as follows:

26 For the fiscal year beginning	Minimum expenditure
27 July 1, 1998	60 percent
28 July 1, 1999	65 percent

29 \* **Sec. 41. TRANSITION: UNORGANIZED BOROUGH EMPLOYMENT TAX.** (a)  
30 AS 43.42, enacted by sec. 33 of this Act, applies to compensation and self-employment  
31 earnings income received on or after January 1, 1999.

1     \* **Sec. 42.** TRANSITION: SPECIAL EDUCATION FUNDING. If, for fiscal year 1999,  
2 the special education service agency would receive less funding under AS 14.30.650, as  
3 amended by sec. 27 of this Act, than the agency would have received for fiscal year 1999  
4 under AS 14.30.650 as that provision read before the effective date of this Act, the agency is  
5 eligible to receive additional state funding equal to the difference between the state funding  
6 the agency is eligible to receive under AS 14.30.650, as amended by sec. 27 of this Act, and  
7 the state funding the agency is eligible to receive on the day before the effective date of this  
8 Act.

9     \* **Sec. 43.** This Act takes effect July 1, 1998.

AMENDMENT #4

BY REP. BUNDE

OFFERED IN THE HOUSE

TO: CSSB 36(FIN) am

- 1 Page 2, line 9:  
2 Following "State":  
3 Delete "funding"  
4 Insert "aid"  
5 Delete "funding"  
6 Insert "aid"
- 7 Page 2, line 14:  
8 Delete "the state share of public school funding for which districts are eligible"  
9 Insert "each district's basic need"
- 10 Page 2, lines 15 - 16:  
11 Delete "state share of public school funding"  
12 Insert "basic need of each district"
- 13 Page 2, line 22:  
14 Delete "a state share and a local contribution"  
15 Insert "state aid, a required local contribution, and eligible federal impact aid"
- 16 Page 2, line 24:  
17 Delete "the state share equals state support minus a"  
18 Insert "state aid equals basic need minus a required"
- 19 Page 2, line 25:  
20 Delete "state support"

- 1           Insert "basic need"
  
- 2   Page 3, line 7, following "(2) the":
- 3           Insert "required"
  
- 4   Page 3, line 11:
- 5           Delete "state support"
- 6           Insert "basic need for the preceding fiscal year"
  
- 7   Page 3, line 20:
- 8           Delete "state share of public school funding"
- 9           Insert "basic need"
  
- 10   Page 3, line 22:
- 11          Delete "Public school funding"
- 12          Insert "State aid"
  
- 13   Page 4, line 31:
- 14          Delete "public school funding"
- 15          Insert "state aid"
  
- 16   Page 5, line 5:
- 17          Delete "public school funding"
- 18          Insert "state aid"
  
- 19   Page 7, line 28:
- 20          Delete "public school funding"
- 21          Insert "state aid"
  
- 22   Page 8, lines 11 - 12:
- 23          Delete "public school funding"
- 24          Insert "state aid"

1 Page 10, line 22:

2 Delete "public school funding"

3 Insert "state aid"

4 Page 10, line 24:

5 Delete "public school funding"

6 Insert "state aid"

7 Page 10, line 25:

8 Delete "public school funding"

9 Insert "state aid"

10 Page 10, line 28:

11 Delete "public school funding"

12 Insert "state aid"

13 Page 10, lines 30 - 31:

14 Delete "public school funding"

15 Insert "state aid"

16 Page 11, line 2:

17 Delete "public school funds"

18 Insert "state aid"

19 Page 11, line 3:

20 Delete "public school funding"

21 Insert "state aid"

22 Page 11, line 6:

23 Delete "public school funding"

24 Insert "state aid"

- 1 Page 11, lines 10 - 11:
- 2 Delete "public school funding"
- 3 Insert "state aid"
  
- 4 Page 11, line 20:
- 5 Delete "public school funding"
- 6 Insert "state aid"
  
- 7 Page 11, line 24:
- 8 Delete "public school funding"
- 9 Insert "state aid"
  
- 10 Page 11, line 28:
- 11 Delete "Public school funding"
- 12 Insert "State aid"
  
- 13 Page 11, line 29:
- 14 Delete "public school funding"
- 15 Insert "state aid"
  
- 16 Page 12, lines 18 - 19:
- 17 Delete all material.
  
- 18 Renumber the following paragraph accordingly.
  
- 19 Page 13, lines 6 - 7:
- 20 Delete "public school funding [STATE FOUNDATION AID]"
- 21 Insert "state [FOUNDATION] aid"
  
- 22 Page 16, line 16:
- 23 Delete "state support for [BASIC NEED OF]"
- 24 Insert "basic need of"

AMENDMENT #5  
BY REP. BUNDE

OFFERED IN THE HOUSE

TO: CSSB 36(FIN) am

1 Page 3, following line 24:

2 Insert new subsections to read:

3 "(e) If a city or borough school district is established after July 1, 1998, for  
4 the first three fiscal years in which the city or borough school district operates  
5 schools, local contributions may be less than the amount that would otherwise be  
6 required under (b)(2) of this section, except that

7 (1) in the second fiscal year of operations, local contributions must be  
8 at least the greater of

9 (A) the local contributions, excluding federal impact aid, for  
10 the previous fiscal year; or

11 (B) the sum of 10 percent of the district's eligible federal  
12 impact aid for that year and the equivalent of a two mill tax levy on the full  
13 and true value of the taxable real and personal property in the city or borough  
14 school district as of January 1 of the second preceding fiscal year, as  
15 determined by the Department of Community and Regional Affairs under  
16 AS 14.17.510 and AS 29.45.110; and

17 (2) in the third year of operation, local contributions must be at least  
18 the greater of

19 (A) the local contributions, excluding federal impact aid, for  
20 the previous fiscal year; or

21 (B) the sum of 10 percent of the district's eligible federal  
22 impact aid for that year and the equivalent of a three mill tax levy on the full  
23 and true value of the taxable real and personal property in the district as of  
24 January 1 of the second preceding fiscal year, as determined by the  
25 Department of Community and Regional Affairs under AS 14.17.510 and

1 AS 29.45.110.

2 (f) A school district is eligible for additional state aid in the amount by which  
3 the local contributions that would otherwise have been required under (b)(2) of this  
4 section exceed the district's actual local contributions under (e) of this section."

AMENDMENT #6

BY REP. BUNDE

To: CSSB 36(FIN) am

Page 4, line 5,

Delete "ADM"

Insert "intensive student count"

AMENDMENT #7

OFFERED IN THE HOUSE

TO: CSSB 36(FIN) am

- 1 Page 4, line 7, following "indicates the":
- 2       Insert "services that will be provided for students who receive"
  
- 3 Page 4, line 9:
- 4       Delete "that will be provided to students"

AMENDMENT #9

BY REP. BUNDE

OFFERED IN THE HOUSE

TO: CSSB 36(FIN) am

1 Page 12, following line 15:

2 Insert a new paragraph to read:

3 "(5) "eligible federal impact aid" means the amount of federal impact  
4 aid received by a district as of March 1 of the fiscal year as a result of an application  
5 submitted in the preceding fiscal year, including advance payments and adjustments  
6 received since March 1 of the preceding fiscal year from prior year applications, under  
7 20 U.S.C. 7701 - 7714, except payments received under 20 U.S.C. 7703(f)(2)(B), to  
8 the extent the state may consider that aid as local resources under federal law;"

9 Renumber the following paragraphs accordingly.

AMENDMENT #10

BY REP. BUNDE

OFFERED IN THE HOUSE

TO: CSSB 36(FIN) am

1 Page 17, lines 7 - 9:

2 Delete "\$85 for each special education student in the state in average daily  
3 membership or the equivalent of two percent of the funds appropriated for special education  
4 for that fiscal year, whichever is greater."

5 Insert "\$15.75 times the number of students in the state in  
6 average daily membership in the preceding fiscal year as determined under  
7 AS 14.17.600."

8 Page 17, line 12:

9 Delete "."

10 Insert "\$85 FOR EACH SPECIAL EDUCATION STUDENT IN THE STATE IN  
11 AVERAGE DAILY MEMBERSHIP OR THE EQUIVALENT OF TWO PERCENT OF THE  
12 FUNDS APPROPRIATED FOR SPECIAL EDUCATION FOR THAT FISCAL YEAR,  
13 WHICHEVER IS GREATER]."

14 Page 21, following line 24:

15 Insert a new bill section to read:

16 "\*\* Sec. 40. TRANSITION: SPECIAL EDUCATION FUNDING. If, for fiscal year 1999,  
17 the special education service agency would receive less funding under AS 14.30.650, as  
18 amended by sec. 26 of this Act, than the agency would have received for fiscal year 1999  
19 under AS 14.30.650 as that provision read before the effective date of this Act, the agency  
20 is eligible to receive additional state funding equal to the difference between the state funding  
21 the agency is eligible to receive under AS 14.30.650, as amended by sec. 26 of this Act, and  
22 the state funding the agency is eligible to receive on the day before the effective date of this  
23 Act."

1 Renumber the following bill section accordingly.

AMENDMENT #11

BY REP. BUNDE

OFFERED IN THE HOUSE

TO: CSSB 36(FIN) am

- 1 Page 5, line 4, following "factor.":
- 2       Insert "(a)"
  
- 3 Page 5, line 11:
- 4       Delete "1"
- 5       Insert "10"
  
- 6 Page 5, following line 18:
- 7       Insert a new subsection to read:
- 8               "(b) If the ADM in a school is less than 10, those students shall be included
- 9       in the ADM of the school in that district with the highest ADM as determined by the
- 10       most recent student count data for that district."
  
- 11 Page 21, lines 15 - 18:
- 12       Delete all material.
  
- 13 Renumber the following bill sections accordingly.

AMENDMENT #12  
BY REP. BUNDE

To: CSSB 36(FIN) am

Page 21, line 13

Delete "3855", insert "3856"

Page 21, line 14

Delete "3888", insert "3889"

AMENDMENT #13

BY REP. BUNDE

To: CSSB 36(FIN) am

Page 13, following line 15:

Insert a new bill section to read:

**\*\*SEC.12.** AS 14.07.020 is amended by adding a new subsection to read:

(c) In implementing its duties under (a)(2) of this section, the department shall develop

- (1) performance standards in reading, writing, and mathematics to be met at designated age levels by each student in the public schools in the state; and
- (2) a comprehensive system of student assessments, composed of multiple indicators of proficiency in reading, writing, and mathematics; this comprehensive system must be made available to all districts and regional educational attendance areas and must include a developmental profile for students entering kindergarten or first grade, and performance standards in reading, writing, and mathematics for students in age groups 5 – 7, 8 – 10, and 11 – 14.”

Renumber the following bill sections accordingly.



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

March 25, 1998

Mr. Richard S. Cross  
Deputy Commissioner  
State of Alaska Department of Education  
Goldbelt Place  
801 West 10th Street, Suite 200  
Juneau, Alaska 99801-1894

Dear Mr. Cross:

This is in reply to your request to Mark Smith of our General Counsel's Office that we confirm your advice to the Alaska legislature that Alaska would likely continue to qualify under section 8009(b) of the Elementary and Secondary Education Act (20 U.S.C. § 7709(b)) to consider Impact Aid in distributing State aid if Senate Bill CSSB 36 were enacted. That bill would revise the State funding formula to employ an adjusted average daily membership (ADM) derived through the use of "district cost factors," among other things, in calculating State aid.

We understand that, based upon the March 9, 1998, disparity test calculation entitled "FY 98 Budgeted School Operating Fund Disparity based on CSSB 36 version Q, FY 2001," which you provided us, your Department has advised the legislature that the State likely would continue to qualify if the bill were enacted. We further understand that you have advised the legislature that this advice is based upon projected data with all the limitations inherent in projections and that certifications under section 8009 are based upon actual data.

Because certifications are based upon actual data, we cannot give you an absolute assurance that the enactment of CSSB 36 would result in the State being certified. However, the data you provided to us indicate a disparity of 19 percent, well within the maximum range of 25 percent necessary for certification. Accordingly, based upon your data, we concur with the qualified advice you provided the legislature (i.e, based upon your projection it appears that the State would qualify; however, certifications are based on actual data).

We would consider the individual cost factors and the school size factors employed in the formula to be special cost differentials, making it appropriate to effectively remove the funds associated with those factors from the disparity test by calculating disparity on the basis of "weighted pupils." See 34 C.F.R. § 222.162(c)(2). We understand that this was done in the disparity test you provided us. We further understand that the individual district cost factors and school size factors are based on the March 1998 McDowell Group report you provided us entitled "Alaska

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Page 2 - Mr. Richard S. Cross

School Operating Cost Study," which supports their classification as special cost differentials.

We understand that the effect of the enactment of CSSB 36 might very well be to redistribute funds from less wealthy districts, including Regional Educational Attendance Areas without legal authority to impose local taxes, to more wealthy districts, including those with local taxing authority. Such a redistribution, however, would not necessarily be an impediment to certification under section 8009(b) since the legal test for certification is narrowly limited to the issue of whether the disparity between the highest and lowest districts considered by the test is within the statutorily prescribed range. Of course, as I am sure you recognize, there are many measures of equity, and certification under section 8009(b) would not in any way preclude legal challenges to the new funding formula based upon other legal theories.

I trust that this responds to your request. If we can be of any further assistance, please feel free to contact Carroll Dexter of our staff at (202) 260-3858.

Sincerely,



Catherine Schagh, Director  
Impact Aid Program

# STATE OF ALASKA

## DEPARTMENT OF EDUCATION OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

GOLDBELT PLACE  
801 WEST 10TH STREET, SUITE 200  
JUNEAU, ALASKA 99801-1894

(907) 465-2800  
FAX (907) 465-4156

March 25, 1998

The Honorable Con Bunde, Chair  
Health, Education and Social Services Committee  
Alaska State Legislature  
State Capitol, Room 104  
Juneau, AK 99801-1182

Dear Representative Bunde:

The Department of Education (DOE) has prepared the enclosed analysis of CSSB 36(FIN) am, relating to the public school funding program. This analysis updates information previously provided to the Senate Finance Committee and includes:

- spreadsheets for each of three fiscal years, FY99 to FY01;
- a fiscal note for the Pupil Transportation Program; and
- a two page analysis of technical issues with the bill.

To prepare the updated analysis, DOE contacted each school district to verify the average daily membership (ADM) data by school. Corrections were made based on responses from school districts in the following areas:

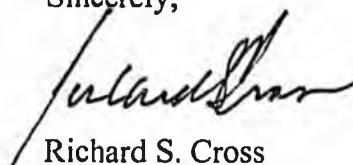
- Schools of less than 10 ADM that were run through the size table in error;
- ADM overstated by the number of correspondence students;
- Programs that were separately run through the size table are combined in the appropriate facility;
- Breaking out separate middle school and alternative high school facilities; and
- Correcting the distribution of ADM's between schools within school districts.

Based on the department's updated spreadsheets, the base student allocation needs to be updated as follows:

FY00 - Page 21, line 14 - \$3,889, and  
FY99 - Page 21, line 13 - \$3,856

Please contact me if you have any questions.

Sincerely,



Richard S. Cross  
Deputy Commissioner

Enclosures

	B	C	D	E	F	G	H	I
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Comparison							
4	March 25, 1998							
5	FY99		D - E		@ 75%		F + G	
6		CS SB36	Existing			Net Change	% Change	
7	School	Proposed	Foundation		Transition	State Aid	In	
8	District:	State Aid:	State Aid:	Difference:	Funding:	Plus Transition:	State Aid	
9	Alaska Gateway	4,336,009	4,988,882	(652,873)	489,655	(163,218)	-3.27%	
10	Aleutian Region	1,085,169	1,176,499	(91,330)	156,795	65,465	5.56%	
11	Aleutians East	3,186,530	3,514,644	(328,114)	246,086	(82,028)	-2.33%	
12	Anchorage	194,402,155	188,038,815	6,363,340	-	6,363,340	3.38%	
13	Annette Island	1,809,601	1,569,188	240,413	-	240,413	15.32%	
14	Bering Strait	15,720,424	17,449,778	(1,729,354)	1,297,016	(432,338)	-2.48%	
15	Bristol Bay	1,414,246	1,654,521	(240,275)	180,206	(60,069)	-3.63%	
16	Chatham	2,264,246	2,337,557	(73,311)	54,983	(18,328)	-0.78%	
17	Chugach	1,078,737	1,515,697	(436,960)	327,720	(109,240)	-7.21%	
18	Copper River	5,581,994	6,225,778	(643,784)	482,838	(160,946)	-2.59%	
19	Cordova	2,811,016	2,702,072	108,944	-	108,944	4.03%	
20	Craig	2,517,761	2,322,242	195,519	-	195,519	8.42%	
21	Delta/Greely	5,087,722	4,790,289	297,433	-	297,433	6.21%	
22	Denali	2,603,693	2,659,400	(55,707)	41,780	(13,927)	-0.52%	
23	Dillingham	3,781,438	3,757,667	23,771	-	23,771	0.63%	
24	Fairbanks	67,318,058	64,607,118	2,710,950	-	2,710,950	4.20%	
25	Galena	5,100,652	6,649,592	(1,548,940)	1,161,705	(387,235)	-5.82%	
26	Haines	2,431,168	2,141,412	289,756	-	289,756	13.53%	
27	Hoonah	1,958,601	1,918,467	40,134	-	40,134	2.09%	
28	Hydaburg	1,039,255	1,083,657	(44,402)	114,279	69,877	6.45%	
29	Iditarod	4,747,204	5,278,870	(531,666)	398,750	(132,916)	-2.52%	
30	Juneau	21,107,305	20,166,492	940,813	-	940,813	4.67%	
31	Kake	1,372,933	1,325,815	47,118	-	47,118	3.55%	
32	Kashunamiut	2,109,441	2,235,575	(126,134)	214,466	88,332	3.95%	
33	Kenai Peninsula	43,959,566	42,073,799	1,885,767	-	1,885,767	4.48%	
34	Ketchikan	10,566,469	8,752,133	1,814,336	-	1,814,336	20.73%	
35	Klawock	1,207,017	1,427,412	(220,395)	280,129	59,734	4.18%	
36	Kodiak Island	13,924,088	13,876,822	47,266	-	47,266	0.34%	
37	Kuspuk	5,470,852	5,513,829	(42,977)	32,233	(10,744)	-0.19%	
38	Lake & Peninsula	6,525,065	6,743,387	(218,322)	163,742	(54,580)	-0.81%	
39	Lower Kuskokwim	31,137,132	38,671,330	(7,534,198)	5,650,649	(1,883,549)	-4.87%	
40	Lower Yukon	13,861,244	14,928,605	(1,067,361)	800,521	(266,840)	-1.79%	
41	Mat-Su	58,582,962	58,161,852	421,110	-	421,110	0.72%	
42	Nenana	1,340,448	1,735,074	(394,626)	432,305	37,679	2.17%	
43	Nome	5,217,325	5,181,309	36,016	-	36,016	0.70%	
44	North Slope	-	11,686,868	(11,686,868)	-	(11,686,868)	-100.00%	
45	Northwest Arctic	18,656,455	18,530,116	126,339	-	126,339	0.68%	
46	Pelican	350,850	556,016	(205,166)	190,932	(14,234)	-2.56%	
47	Petersburg	3,699,598	3,173,500	526,098	-	526,098	16.58%	
48	Pribilof	1,647,733	1,883,539	(235,806)	176,855	(58,951)	-3.13%	
49	Sitka	7,100,407	6,142,485	957,922	-	957,922	15.60%	
50	Skagway	459,821	683,840	(224,019)	252,652	28,633	4.19%	
51	Southeast Island	2,226,657	2,765,941	(539,284)	404,463	(134,821)	-4.87%	
52	Southwest Region	6,646,114	7,597,531	(951,417)	713,563	(237,854)	-3.13%	
53	St. Mary's	1,089,399	1,414,706	(325,307)	349,663	24,356	1.72%	
54	Tanana	1,121,689	1,253,694	(132,005)	194,621	62,616	4.99%	
55	Unalaska	1,580,712	1,913,136	(332,424)	398,006	65,582	3.43%	
56	Valdez	1,877,339	3,404,758	(1,527,419)	-	(1,527,419)	-44.86%	
57	Wrangell	2,742,064	2,312,953	429,111	-	429,111	18.55%	
58	Yakutat	1,233,667	1,429,670	(196,003)	147,002	(49,001)	-3.43%	
59	Yukon Flats	5,061,519	6,158,915	(1,097,396)	823,047	(274,349)	-4.45%	
60	Yukon/Koyukuk	5,653,884	6,788,379	(1,134,495)	850,871	(283,624)	-4.18%	
61	Yupik	3,329,233	4,250,129	(920,896)	690,672	(230,224)	-5.42%	
62	ACS	4,156,575	3,996,324	160,251	-	160,251	4.01%	
63	Mt. Edgecumbe	1,760,264	1,717,150	43,114	-	43,114	2.51%	
64	Other	26,096,071	26,096,071	-	-	-	0.00%	
66	TOTAL:	\$643,147,587	\$660,931,300	(\$17,783,713)	\$17,718,205	(\$65,508)		

	B	C	D	E	F	G	H	I	J
1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3						C + E + F			H x I
4	March 25, 1998			Correspondence			Adj. For		Adj
5	FY99			n	Out		School	District	for
6	School	Projected	Students	Students	Total		Size	Cost	Cost
7	District:	ADM:	ADM:	ADM:	ADM:		ADM:	Factor:	Product:
8									
9	Alaska Gateway	494.00	28.00			522.00	748.97	1.291	966.92
10	Aleutian Region	67.00				67.00	141.48	1.736	245.61
11	Aleutians East	345.00				345.00	566.44	1.423	806.04
12	Anchorage	47,832.75				47,832.75	52,208.39	1.000	52,208.39
13	Annette Island	389.00	2.00			391.00	572.46	1.011	578.76
14	Bering Strait	1,809.41				1,809.41	2,657.55	1.525	4,052.76
15	Bristol Bay	308.00				308.00	406.44	1.262	512.93
16	Chatham	297.00				297.00	542.62	1.120	607.73
17	Chugach	81.00	45.00	20.00		146.00	161.63	1.294	209.15
18	Copper River	606.50	37.00	186.00		829.50	920.15	1.176	1,082.10
19	Cordova	530.00				530.00	678.00	1.096	743.09
20	Craig	408.00	30.00	9.00		447.00	577.32	1.010	583.09
21	Delta/Greely	799.00	25.00			824.00	1,110.31	1.106	1,228.00
22	Denali	352.00	3.00			355.00	504.20	1.313	662.01
23	Dillingham	619.00				619.00	767.63	1.254	962.61
24	Fairbanks	15,957.50	490.00			16,447.50	17,376.43	1.039	18,054.11
25	Galena	222.00		1,157.00		1,379.00	356.60	1.348	480.70
26	Haines	429.00	9.00			438.00	644.20	1.008	649.35
27	Hoonah	270.00				270.00	398.10	1.055	420.00
28	Hydaburg	125.00				125.00	208.45	1.085	226.17
29	Iditarod	436.00				436.00	760.58	1.470	1,118.05
30	Juneau	5,721.00	29.00			5,750.00	6,218.92	1.005	6,250.01
31	Kake	190.00				190.00	312.22	1.025	320.03
32	Kashunamiut	279.00				279.00	354.23	1.389	492.03
33	Kenai Peninsula	10,243.96	98.00			10,341.96	12,548.19	1.004	12,598.38
34	Ketchikan	2,650.00	69.00			2,719.00	3,160.98	1.000	3,160.98
35	Klawock	215.00				215.00	288.30	1.017	293.20
36	Kodiak Island	2,819.00	78.00			2,897.00	3,478.96	1.093	3,802.50
37	Kuspuk	510.00				510.00	891.15	1.434	1,277.91
38	Lake & Peninsula	513.00	5.00			518.00	965.27	1.558	1,503.89
39	Lower Kuskokwim	3,642.00				3,642.00	5,045.00	1.491	7,522.10
40	Lower Yukon	1,850.60				1,850.60	2,520.67	1.438	3,624.72
41	Mat-Su	12,045.00	596.00			12,641.00	13,549.15	1.010	13,684.64
42	Nenana	135.00	20.00	65.00		220.00	199.05	1.270	252.79
43	Nome	789.00				789.00	956.83	1.319	1,262.06
44	North Slope	2,037.00				2,037.00	2,629.23	1.504	3,954.36
45	Northwest Arctic	2,233.00	15.00			2,248.00	2,950.50	1.549	4,570.32
46	Pelican	38.00				38.00	67.72	1.290	87.36
47	Petersburg	775.00				775.00	993.42	1.000	993.42
48	Pribilof	196.00				196.00	299.06	1.419	424.37
49	Sitka	1,680.00	70.00			1,750.00	1,993.10	1.000	1,993.10
50	Skagway	130.00				130.00	192.70	1.143	220.26
51	Southeast Island	259.00	10.00			269.00	500.47	1.124	562.53
52	Southwest Region	779.20				779.20	1,147.70	1.423	1,633.18
53	St. Mary's	133.00				133.00	185.08	1.351	250.04
54	Tanana	111.00	2.00			113.00	168.57	1.496	252.18
55	Unalaska	390.00				390.00	533.40	1.245	664.08
56	Valdez	895.00				895.00	1,100.43	1.095	1,204.97
57	Wrangell	498.25	10.00	6.00		514.25	701.14	1.000	701.14
58	Yakutat	178.00				178.00	274.98	1.046	287.63
59	Yukon Flats	409.00	35.00			444.00	712.00	1.668	1,187.62
60	Yukon/Koyukuk	554.00				554.00	923.58	1.502	1,387.22
61	Yup'it	412.00				412.00	601.48	1.469	883.57
62	ACS	0.00		1,558.38		1,558.38	0.00	1.000	0.00
63	Mt. Edgecumbe	306.00				306.00	380.42	1.000	380.42
64	Other								
66	TOTALS:	125,993.17	1,706.00	3,101.38		130,800.55	149,151.85	68.00	164,080.58

	B	K	M	O	P	Q	S	T
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3		J x 1.20		M x 5	K + O	Ex 1	F x .65	P + Q + S
4	March 25, 1998	Special	Special		Adjusted	Correspondence		
5	FY99	Education	Education	Adj.	Students +	In	Out	District
6	School	Factor	Intensive:	Intensive	Special	District	District	Adjusted
7	District:	1.20	5.00	Education:	Education:	1.00	0.65	ADM:
8								
9	Alaska Gateway	1,160.30	5.00	25.00	1,185.30	28.00	0.00	1,213.30
10	Aleutian Region	294.73	0.00	0.00	294.73	0.00	0.00	294.73
11	Aleutians East	967.25	3.00	15.00	982.25	0.00	0.00	982.25
12	Anchorage	62,650.07	686.00	3,430.00	66,080.07	0.00	0.00	66,080.07
13	Annette Island	694.51	2.00	10.00	704.51	2.00	0.00	706.51
14	Bering Strait	4,863.31	4.00	20.00	4,883.31	0.00	0.00	4,883.31
15	Bristol Bay	615.52	2.00	10.00	625.52	0.00	0.00	625.52
16	Chatham	729.28	2.00	10.00	739.28	0.00	0.00	739.28
17	Chugach	250.98	0.00	0.00	250.98	45.00	13.00	308.98
18	Copper River	1,298.52	2.00	10.00	1,308.52	37.00	120.90	1,466.42
19	Cordova	891.71	3.00	15.00	906.71	0.00	0.00	906.71
20	Craig	699.71	3.00	15.00	714.71	30.00	5.85	750.56
21	Delta/Greely	1,473.60	6.00	30.00	1,503.60	25.00	0.00	1,528.60
22	Denali	794.41	0.00	0.00	794.41	3.00	0.00	797.41
23	Dillingham	1,155.13	5.00	25.00	1,180.13	0.00	0.00	1,180.13
24	Fairbanks	21,664.93	178.00	890.00	22,554.93	490.00	0.00	23,044.93
25	Galena	576.84	4.00	20.00	596.84	0.00	752.05	1,348.89
26	Haines	779.22	4.00	20.00	799.22	9.00	0.00	808.22
27	Hoonah	504.00	8.00	40.00	544.00	0.00	0.00	544.00
28	Hydaburg	271.40	1.00	5.00	276.40	0.00	0.00	276.40
29	Iditarod	1,341.66	5.00	25.00	1,366.66	0.00	0.00	1,366.66
30	Juneau	7,500.01	76.00	380.00	7,880.01	29.00	0.00	7,909.01
31	Kake	384.04	1.00	5.00	389.04	0.00	0.00	389.04
32	Kashunamiut	590.44	4.00	20.00	610.44	0.00	0.00	610.44
33	Kenai Peninsula	15,118.06	56.00	280.00	15,398.06	98.00	0.00	15,496.06
34	Ketchikan	3,793.18	12.00	60.00	3,853.18	69.00	0.00	3,922.18
35	Klawock	351.84	1.00	5.00	356.84	0.00	0.00	356.84
36	Kodiak Island	4,563.00	12.00	60.00	4,623.00	78.00	0.00	4,701.00
37	Kuspuk	1,533.49	3.00	15.00	1,548.49	0.00	0.00	1,548.49
38	Lake & Peninsula	1,804.67	1.00	5.00	1,809.67	5.00	0.00	1,814.67
39	Lower Kuskokwim	9,026.52	25.00	125.00	9,151.52	0.00	0.00	9,151.52
40	Lower Yukon	4,349.66	2.00	10.00	4,359.66	0.00	0.00	4,359.66
41	Mat-Su	16,421.57	150.00	750.00	17,171.57	596.00	0.00	17,767.57
42	Nenana	303.35	0.00	0.00	303.35	20.00	42.25	365.60
43	Nome	1,514.47	1.00	5.00	1,519.47	0.00	0.00	1,519.47
44	North Slope	4,745.23	4.00	20.00	4,765.23	0.00	0.00	4,765.23
45	Northwest Arctic	5,484.38	3.00	15.00	5,499.38	15.00	0.00	5,514.38
46	Pelican	104.83	0.00	0.00	104.83	0.00	0.00	104.83
47	Petersburg	1,192.10	3.00	15.00	1,207.10	0.00	0.00	1,207.10
48	Pribilof	509.24	1.00	5.00	514.24	0.00	0.00	514.24
49	Sitka	2,391.72	10.00	50.00	2,441.72	70.00	0.00	2,511.72
50	Skagway	264.31	0.00	0.00	264.31	0.00	0.00	264.31
51	Southeast Island	675.04	0.00	0.00	675.04	10.00	0.00	685.04
52	Southwest Region	1,959.82	3.00	15.00	1,974.82	0.00	0.00	1,974.82
53	St. Mary's	300.05	0.00	0.00	300.05	0.00	0.00	300.05
54	Tanana	302.62	0.00	0.00	302.62	2.00	0.00	304.62
55	Unalaska	796.90	1.00	5.00	801.90	0.00	0.00	801.90
56	Valdez	1,445.96	6.00	30.00	1,475.96	0.00	0.00	1,475.96
57	Wrangell	841.37	5.00	25.00	866.37	10.00	3.90	880.27
58	Yakutat	345.16	3.00	15.00	360.16	0.00	0.00	360.16
59	Yukon Flats	1,425.14	0.00	0.00	1,425.14	35.00	0.00	1,460.14
60	Yukon/Koyukuk	1,664.66	7.00	35.00	1,699.66	0.00	0.00	1,699.66
61	Yup'it	1,060.28	1.00	5.00	1,065.28	0.00	0.00	1,065.28
62	ACS	0.00	0.00	0.00	0.00	0.00	1,077.95	1,077.95
63	Mt. Edgecumbe	456.50	0.00	0.00	456.50	0.00	0.00	456.50
64	Other							
66	TOTALS:	196,896.69	1,314.00	6,570.00	203,466.69	1,706.00	2,015.90	207,188.59

	B	U	V	W	X	Y	Z
1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am		Base Student Allocation				
3		T x	AS 14.17.470	\$3,856	U - V - Y		
4	March 25, 1998	\$3,856				Deductible	
5	FY99			Federal	Impact	Impact	
6	School	State	Required	Impact	Aid	Aid	State
7	District:	Support:	Local:	Aid:	Percent:	90.0%	Share:
8							
9	Alaska Gateway	4,678,485	-	380,529	100.00%	342,476	4,336,009
10	Aleutian Region	1,136,479	-	57,011	100.00%	51,310	1,085,169
11	Aleutians East	3,787,556	365,761	509,562	51.30%	235,265	3,186,530
12	Anchorage	254,804,750	55,828,890	8,314,618	61.12%	4,573,705	194,402,155
13	Annette Island	2,724,303	-	1,016,335	100.00%	914,702	1,809,601
14	Berling Strait	18,830,043	-	3,455,132	100.00%	3,109,619	15,720,424
15	Bristol Bay	2,412,005	860,657	240,580	63.32%	137,102	1,414,246
16	Chatham	2,850,664	-	651,576	100.00%	586,418	2,264,246
17	Chugach	1,191,427	-	125,211	100.00%	112,690	1,078,737
18	Copper River	5,654,516	-	80,580	100.00%	72,522	5,581,994
19	Cordova	3,496,274	674,600	19,032	62.22%	10,658	2,811,016
20	Craig	2,894,159	367,686	16,690	58.00%	8,712	2,517,761
21	Delta/Grœely	5,894,282	-	896,178	100.00%	806,560	5,087,722
22	Denali	3,074,813	459,758	27,613	45.72%	11,362	2,603,693
23	Dillingham	4,550,581	608,522	335,087	53.26%	160,621	3,781,438
24	Fairbanks	88,861,250	17,779,142	6,593,515	63.43%	3,764,040	67,318,068
25	Galena	5,201,320	70,412	314,774	10.68%	30,256	5,100,652
26	Haines	3,116,496	674,832	18,985	61.43%	10,496	2,431,168
27	Hoonah	2,037,664	98,904	238,998	18.67%	40,159	1,958,601
28	Hydaburg	1,065,798	23,809	17,039	17.83%	2,734	1,039,255
29	Iditarod	5,269,841	-	580,708	100.00%	522,637	4,747,204
30	Juneau	30,497,143	9,380,326	16,954	62.34%	9,512	21,107,305
31	Kake	1,500,138	69,431	281,923	22.77%	57,774	1,372,933
32	Kashunamiut	2,353,857	-	271,573	100.00%	244,416	2,109,441
33	Kenai Peninsula	59,752,807	15,751,444	83,078	55.90%	41,797	43,959,566
34	Ketchikan	15,123,926	4,552,513	8,986	61.13%	4,944	10,566,469
35	Klawock	1,375,975	62,627	274,629	43.02%	106,331	1,207,017
36	Kodiak Island	18,127,056	3,588,780	1,081,508	63.10%	614,188	13,924,088
37	Kuspuk	5,970,977	-	555,694	100.00%	500,125	5,470,852
38	Lake & Peninsula	6,997,368	268,776	1,028,381	21.99%	203,527	6,525,065
39	Lower Kuskokwim	35,288,261	-	4,612,365	100.00%	4,151,129	31,137,132
40	Lower Yukon	16,810,849	-	3,277,339	100.00%	2,949,505	13,861,244
41	Mat-Su	68,511,750	9,922,903	14,639	44.67%	5,885	58,582,962
42	Nenana	1,409,754	66,968	2,926	88.79%	2,338	1,340,448
43	Nome	5,859,076	626,146	43,424	39.93%	15,605	5,217,325
44	North Slope	18,374,727	18,374,727	2,648,619	66.45%	1,584,007	-
45	Northwest Arctic	21,263,449	1,484,493	2,240,789	55.66%	1,122,501	18,656,455
46	Pelican	404,224	53,374	-	85.72%	-	350,850
47	Petersburg	4,654,578	947,600	15,861	51.70%	7,380	3,699,598
48	Pribilof	1,982,909	-	372,418	100.00%	335,176	1,647,733
49	Sitka	9,685,192	2,500,230	158,779	59.17%	84,555	7,100,407
50	Skagway	1,019,179	559,358	-	74.36%	-	459,821
51	Southeast Island	2,641,514	-	460,952	100.00%	414,857	2,226,657
52	Southwest Region	7,614,906	-	1,076,436	100.00%	968,792	6,646,114
53	St. Mary's	1,156,993	17,993	122,527	44.98%	49,601	1,089,399
54	Tanana	1,174,615	23,286	178,213	18.48%	29,640	1,121,689
55	Unalaska	3,092,126	1,511,123	363	89.05%	291	1,580,712
56	Valdez	5,691,302	3,774,555	43,787	100.00%	39,408	1,877,339
57	Wrangell	3,394,321	651,476	1,812	47.88%	781	2,742,064
58	Yakutat	1,388,777	144,356	39,086	30.57%	10,754	1,233,667
59	Yukon Flats	5,630,300	-	631,979	100.00%	568,781	5,061,519
60	Yukon/Koyukuk	6,553,889	-	1,000,006	100.00%	900,005	5,653,884
61	Yupik	4,107,720	-	864,985	100.00%	778,487	3,329,233
62	ACS	4,156,575	-	-	100.00%	-	4,156,575
63	Mt. Edgecumbe	1,760,264	-	-	100.00%	-	1,730,264
64	Other						26,096,071
66	TOTALS:	\$798,919,203	\$152,145,458	\$45,299,784		\$31,306,236	\$643,147,587

	A	B	D	G
1	Alaska Department of Education			
2	Foundation Program; CSSB 36(FIN) am			
3	Required Local Effort Calculation			
4	March 25, 1998			
5	FY99	G X .004		
6		Required		
7		Local	Mill Rate	1997 Full
8	School District:	Effort:	0.004	Determination:
9	Alaska Gateway	-	-	-
10	Aleutian Region	-	-	-
11	Aleutians East	365,761	365,761	91,440,300
12	Anchorage	55,828,890	55,828,890	13,957,222,570
13	Annette Island	-	-	-
14	Bering Strait	-	-	-
15	Bristol Bay	860,657	860,657	215,164,218
16	Chatham	-	-	-
17	Chugach	-	-	-
18	Copper River	-	-	-
19	Cordova	674,600	674,600	168,650,100
20	Craig	367,686	367,686	91,921,400
21	Delta/Greely	-	-	-
22	Denali	459,758	459,758	114,939,500
23	Dillingham	608,522	608,522	152,130,600
24	Fairbanks	17,779,142	17,779,142	4,444,785,400
25	Galena	70,412	70,412	17,603,000
26	Haines	674,832	674,832	168,708,000
27	Hoonah	98,904	98,904	24,725,900
28	Hydaburg	23,809	23,809	5,952,200
29	Iditarod	-	-	-
30	Juneau	9,380,326	9,380,326	2,345,081,400
31	Kake	69,431	69,431	17,357,800
32	Kashunamiut	-	-	-
33	Kenai Peninsula	15,751,444	15,751,444	3,937,860,920
34	Ketchikan	4,552,513	4,552,513	1,138,128,200
35	Klawock	62,627	62,627	15,656,700
36	Kodiak Island	3,588,780	3,588,780	897,194,900
37	Kuspuk	-	-	-
38	Lake & Peninsula	268,776	268,776	67,193,900
39	Lower Kuskokwim	-	-	-
40	Lower Yukon	-	-	-
41	Mat-Su	9,922,903	9,922,903	2,480,725,840
42	Nenana	66,968	66,968	16,742,100
43	Nome	626,146	626,146	156,536,400
44	North Slope	18,374,727	18,374,727	11,749,014,490
45	Northwest Arctic	1,484,493	1,484,493	371,123,200
46	Pelican	53,374	53,374	13,343,500
47	Petersburg	947,600	947,600	236,900,000
48	Pribilof	-	-	-
49	Sitka	2,500,230	2,500,230	625,057,600
50	Skagway	559,358	559,358	139,839,400
51	Southeast Island	-	-	-
52	Southwest Region	-	-	-
53	St. Mary's	17,993	17,993	4,498,200
54	Tanana	23,286	23,286	5,821,600
55	Unalaska	1,511,123	1,511,123	377,780,800
56	Valdez	3,774,555	3,774,555	943,638,760
57	Wrangell	651,476	651,476	162,869,100
58	Yakutat	144,356	144,356	36,089,000
59	Yukon Flats	-	-	-
60	Yukon/Koyukuk	-	-	-
61	Yupik	-	-	-
62	ACS	-	-	-
63	Mt. Edgecumbe	-	-	-
64	Other	-	-	-
66	TOTAL:	\$152,145,458	\$152,145,458	\$45,191,696,998

	B	D	E	F	G	H	I	J	K
1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3	Transition Calculation								
4	March 25, 1998								
5	FY99		E + F			G - H		I x 75%	
6			Additional	Foundation	SB36		Difference		
7		Mill	Total	District	Plus	State		@	
8	School District:	Rate:	Foundation:	Support:	Single Site:	Aid:	Difference:	75.0%	Transltion:
9	Alaska Gateway	4.000	4,988,882		4,988,882	4,336,009	652,873	489,655	489,655
10	Aleutian Region	4.000	1,176,499	117,730	1,294,229	1,085,169	209,060	156,795	156,795
11	Aleutians East	7.700	3,514,644		3,514,644	3,186,530	328,114	246,086	246,086
12	Anchorage	6.500	188,038,815		188,038,815	194,402,155	(6,363,340)	(4,772,505)	-
13	Annette Island	4.000	1,569,188	161,650	1,730,838	1,809,601	(78,763)	(59,072)	-
14	Bering Strait	4.000	17,449,778		17,449,778	15,720,424	1,729,354	1,297,016	1,297,016
15	Bristol Bay	6.200	1,654,521		1,654,521	1,414,246	240,275	180,206	180,206
16	Chatham	4.000	2,337,557		2,337,557	2,264,246	73,311	54,983	54,983
17	Chugach	4.000	1,515,697		1,515,697	1,078,737	436,960	327,720	327,720
18	Copper River	4.000	6,225,778		6,225,778	5,581,994	643,784	482,838	482,838
19	Cordova	6.400	2,702,072	166,530	2,868,602	2,811,016	57,586	43,190	-
20	Craig	6.600	2,322,242	179,950	2,502,192	2,517,761	(15,569)	(11,677)	-
21	Delta/Greely	4.000	4,790,289		4,790,289	5,087,722	(297,433)	(223,075)	-
22	Denali	8.700	2,659,400		2,659,400	2,603,693	55,707	41,780	41,780
23	Dillingham	7.000	3,757,667	220,200	3,977,867	3,781,438	196,429	147,322	-
24	Fairbanks	6.600	64,607,118		64,607,118	67,318,068	(2,710,950)	(2,033,213)	-
25	Galena	34.600	6,649,592		6,649,592	5,100,652	1,548,940	1,161,705	1,161,705
26	Haines	6.600	2,141,412		2,141,412	2,431,168	(289,756)	(217,317)	-
27	Hoonah	21.600	1,918,467	126,270	2,044,737	1,958,601	86,136	64,602	-
28	Hydaburg	6.400	1,083,657	107,970	1,191,627	1,039,255	152,372	114,279	114,279
29	Iditarod	4.000	5,278,870		5,278,870	4,747,204	531,666	398,750	398,750
30	Juneau	6.400	20,166,492		20,166,492	21,107,305	(940,813)	(705,610)	-
31	Kake	9.800	1,325,815	140,910	1,466,725	1,372,933	93,792	70,344	-
32	Kashunamiut	4.000	2,235,575	159,820	2,395,395	2,109,441	285,954	214,466	214,466
33	Kenai Peninsula	7.200	42,073,799		42,073,799	43,959,566	(1,885,767)	(1,414,325)	-
34	Ketchikan	6.500	8,752,133		8,752,133	10,566,469	(1,814,336)	(1,360,752)	-
35	Klawock	5.500	1,427,412	153,110	1,580,522	1,207,017	373,505	280,129	280,129
36	Kodiak Island	6.300	13,876,822		13,876,822	13,924,088	(47,266)	(35,450)	-
37	Kuspuk	4.000	5,513,829		5,513,829	5,470,852	42,977	32,233	32,233
38	Lake & Peninsula	17.900	6,743,387		6,743,387	6,525,065	218,322	163,742	163,742
39	Lower Kuskokwim	4.000	38,671,330		38,671,330	31,137,132	7,534,198	5,650,649	5,650,649
40	Lower Yukon	4.000	14,928,605		14,928,605	13,861,244	1,067,361	800,521	800,521
41	Mat-Su	8.900	58,161,852		58,161,852	58,582,962	(421,110)	(315,833)	-
42	Nenana	4.200	1,735,074	181,780	1,916,854	1,340,448	576,406	432,305	432,305
43	Nome	8.400	5,181,309	285,470	5,466,779	5,217,325	249,454	187,091	-
44	North Slope	2.300	11,686,868		11,686,868	-	11,686,868	8,765,151	-
45	Northwest Arctic	6.200	18,530,116		18,530,116	18,656,455	(126,339)	(94,754)	-
46	Pelican	4.700	556,016	49,410	605,426	350,850	254,576	190,932	190,932
47	Petersburg	7.800	3,173,500	211,660	3,385,160	3,699,598	(314,438)	(235,829)	-
48	Pribilof	4.000	1,883,539		1,883,539	1,647,733	235,806	176,855	176,855
49	Sitka	6.800	6,142,485		6,142,485	7,100,407	(957,922)	(718,442)	-
50	Skagway	5.400	683,840	112,850	796,690	459,821	336,869	252,652	252,652
51	Southeast Island	4.000	2,765,941		2,765,941	2,226,657	539,284	404,463	404,463
52	Southwest Region	4.000	7,597,531		7,597,531	6,646,114	951,417	713,563	713,563
53	St. Mary's	8.900	1,414,706	140,910	1,555,616	1,089,399	466,217	349,663	349,663
54	Tanana	23.700	1,253,694	127,490	1,381,184	1,121,689	259,495	194,621	194,621
55	Unalaska	4.500	1,913,136	198,250	2,111,386	1,580,712	530,674	398,006	398,006
56	Valdez	3.900	3,404,758	265,960	3,670,718	1,877,339	1,793,379	1,345,034	-
57	Wrangell	8.200	2,312,953	196,420	2,509,373	2,742,064	(232,691)	(174,518)	-
58	Yakutat	12.400	1,429,670		1,429,670	1,233,667	196,003	147,002	147,002
59	Yukon Flats	4.000	6,158,915		6,158,915	5,061,519	1,097,396	823,047	823,047
60	Yukon/Koyukuk	4.000	6,788,379		6,788,379	5,653,884	1,134,495	850,871	850,871
61	Yuplit	4.000	4,250,129		4,250,129	3,329,233	920,896	690,672	690,672
62	ACS	4.000	3,996,324		3,996,324	4,156,575	(160,251)	(120,188)	-
63	Mt. Edgecumbe	4.000	1,717,150		1,717,150	1,760,264	(43,114)	(32,336)	-
64	Other		26,096,071		26,096,071	26,096,071	-	-	-
66			\$660,931,300	\$3,304,340	\$664,235,640	\$643,147,587	\$21,088,053	\$15,816,040	\$17,718,205

	A	B	C	D	E	F	G	H
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Required Local Effort & Maximum							
4	March 25, 1998							
5	FY99		23% or		Tax & In-kind			
6			2 Mills		FY98			
7		Required	Allowable	Maximum	Budgeted	Amount to	Amount	Room
8	School District:	Effort	Excess	Local	Local	Meet Req.	Over	Under
							Excess	Local Cap
9	Alaska Gateway	-	1,076,052	1,076,052	-	-	-	-
10	Aleutian Region	-	261,390	261,390	-	-	-	-
11	Aleutians East	365,761	871,138	1,236,899	708,000	-	-	528,899
12	Anchorage	55,828,890	58,605,093	114,433,983	87,682,805	-	-	26,751,178
13	Annette Island	-	626,590	626,590	-	-	-	-
14	Bering Strait	-	4,330,910	4,330,910	-	-	-	-
15	Bristol Bay	860,657	554,761	1,415,418	1,324,152	-	-	91,266
16	Chatham	-	655,653	655,653	-	-	-	-
17	Chugach	-	274,028	274,028	-	-	-	-
18	Copper River	-	1,300,539	1,300,539	-	-	-	-
19	Cordova	674,600	804,143	1,478,743	1,052,000	-	-	426,743
20	Craig	367,686	665,657	1,033,343	584,728	-	-	448,615
21	Delta/Greely	-	1,355,685	1,355,685	-	-	-	-
22	Denali	459,758	707,207	1,166,965	981,736	-	-	185,229
23	Dillingham	608,522	1,046,634	1,655,156	942,500	-	-	712,656
24	Fairbanks	17,779,142	20,438,088	38,217,230	27,680,000	-	-	10,537,230
25	Galena	70,412	1,196,304	1,266,716	556,527	-	-	710,189
26	Haines	674,832	716,794	1,391,626	1,080,455	-	-	311,171
27	Hoonah	98,904	482,463	581,367	454,727	-	-	126,640
28	Hydaburg	23,809	245,134	268,943	34,000	-	-	234,943
29	Iditarod	-	1,212,063	1,212,063	-	-	-	-
30	Juneau	9,380,326	7,014,343	16,394,669	14,953,000	-	-	1,441,669
31	Kake	69,431	345,032	414,463	150,000	-	-	264,463
32	Kashunamiut	-	541,387	541,387	-	-	-	-
33	Kenai Peninsula	15,751,444	13,743,146	29,494,590	28,095,197	-	-	1,399,393
34	Ketchikan	4,552,513	3,478,503	8,031,016	7,358,058	-	-	672,958
35	Klawock	62,627	316,474	379,101	51,125	11,502	-	327,976
36	Kodiak Island	3,588,780	4,169,223	7,758,003	5,603,980	-	-	2,154,023
37	Kuspuk	-	1,373,325	1,373,325	-	-	-	-
38	Lake & Peninsula	268,776	1,609,395	1,878,171	1,026,500	-	-	851,671
39	Lower Kuskokwim	-	8,116,300	8,116,300	-	-	-	-
40	Lower Yukon	-	3,866,495	3,866,495	-	-	-	-
41	Mat-Su	9,922,903	15,757,703	25,680,606	22,139,480	-	-	3,541,126
42	Nenana	66,968	324,243	391,211	66,120	848	-	325,091
43	Nome	626,146	1,347,587	1,973,733	1,251,731	-	-	722,002
44	North Slope	18,374,727	23,498,029	41,872,756	27,600,068	-	-	14,272,688
45	Northwest Arctic	1,484,493	4,890,593	6,375,086	1,984,920	-	-	4,390,166
46	Pelican	53,374	92,972	146,346	62,266	-	-	84,080
47	Petersburg	947,600	1,070,553	2,018,153	1,807,361	-	-	210,792
48	Pribilof	-	456,069	456,069	-	-	-	-
49	Sitka	2,500,230	2,227,594	4,727,824	4,210,656	-	-	517,168
50	Skagway	559,358	279,679	839,037	746,690	-	-	92,347
51	Southeast Island	-	607,548	607,548	-	-	-	-
52	Southwest Region	-	1,751,428	1,751,428	-	-	-	-
53	St. Mary's	17,993	266,108	284,101	25,000	-	-	259,101
54	Tanana	23,286	270,161	293,447	115,000	-	-	178,447
55	Unalaska	1,511,123	755,562	2,266,685	1,664,932	-	-	605,753
56	Valdez	3,774,555	1,887,278	5,661,833	3,579,727	194,828	-	2,082,106
57	Wrangell	651,476	780,694	1,432,170	1,329,000	-	-	103,170
58	Yakutat	144,356	319,419	463,775	432,150	-	-	31,625
59	Yukon Flats	-	1,294,969	1,294,969	-	-	-	-
60	Yukon/Koyukuk	-	1,507,394	1,507,394	-	-	-	-
61	Yupik	-	944,776	944,776	-	-	-	-
64	TOTALS	\$152,145,458	\$202,330,308	\$354,475,766	\$247,330,591	\$207,178	\$0	\$75,592,574

	A	B	C	D	E	F
1	Alaska Department of Education					
2	Foundation Program; CSSB 36(FIN) am					
3	Page 9, Sec. 14.17.530 - Administrative Cap					
4	March 25, 1998					
5						
6	FY99					
7		Total FY98	Instructional	Total Expend. @	Reduction in	% of Instruc.
8		Budgeted Expenditures	Expenditures	60%	State Aid	to Total Exp.
9	Alaska Gateway	6,375,467	3,816,771	5,825,280	8,509	60%
10	Aleutian Region	1,227,397	613,635	736,438	122,803	50%
11	Aleutians East	5,353,492	2,669,533	3,212,095	542,562	50%
12	Anchorage	285,848,000	209,941,815	171,508,800	0	73%
13	Annette Island	4,079,627	2,552,320	2,447,776	0	63%
14	Bering Strait	24,031,447	12,940,060	14,418,868	1,478,808	54%
15	Bristol Bay	3,451,754	2,126,224	2,071,052	0	62%
16	Chatham	3,700,057	2,645,572	2,220,034	0	72%
17	Chugach	1,639,001	880,501	983,401	102,900	54%
18	Copper River	6,245,467	4,119,378	3,747,280	0	66%
19	Cordova	4,028,281	2,529,566	2,416,969	0	63%
20	Craig	3,332,138	2,200,915	1,999,283	0	66%
21	Delta/Greely	6,239,396	3,623,963	3,743,637	119,674	58%
22	Denali	3,826,030	2,350,417	2,295,618	0	61%
23	Dillingham	5,369,398	3,643,045	3,221,639	0	68%
24	Fairbanks	105,010,000	75,832,355	63,006,000	0	72%
25	Galena	4,137,563	2,109,716	2,482,538	372,822	51%
26	Haines	3,576,694	2,392,495	2,146,016	0	67%
27	Hoonah	3,555,793	1,896,929	2,133,476	236,547	53%
28	Hydaburg	1,319,025	676,132	791,415	115,283	51%
29	Iditarod	5,825,818	3,108,838	3,495,491	386,653	53%
30	Juneau	35,823,100	26,387,712	21,493,860	0	74%
31	Kake	2,179,381	1,171,595	1,307,629	136,034	54%
32	Kashunamiut	2,754,440	1,415,373	1,552,664	237,291	51%
33	Kenai Peninsula	72,077,053	50,062,456	43,246,232	0	69%
34	Ketchikan	16,152,612	11,204,219	9,691,567	0	69%
35	Klawock	2,276,154	1,442,696	1,365,692	0	63%
36	Kodiak Island	22,289,424	15,074,760	13,373,654	0	68%
37	Kuspuk	6,208,037	3,779,987	3,724,822	0	61%
38	Lake & Peninsula	9,315,700	4,519,680	5,589,420	1,069,740	49%
39	Lower Kuskokwim	45,485,933	28,968,961	27,291,560	0	64%
40	Lower Yukon	19,896,016	11,997,659	11,937,610	0	60%
41	Mat-Su	80,993,413	59,111,447	48,596,048	0	73%
42	Nenana	1,732,845	1,005,643	1,039,707	34,064	58%
43	Nome	7,013,644	4,077,783	4,208,186	130,403	58%
44	North Slope	43,150,068	20,680,500	25,890,041	5,209,541	48%
45	Northwest Arctic	23,012,977	11,993,882	13,807,786	1,813,904	52%
46	Pelican	630,278	330,120	378,167	48,047	52%
47	Petersburg	5,296,650	3,595,918	3,177,990	0	68%
48	Pribilof	2,748,600	1,547,494	1,649,160	101,666	56%
49	Sitka	11,027,597	8,233,056	6,616,553	0	75%
50	Skagway	1,462,002	838,321	877,201	38,880	57%
51	Southeast Island	4,046,750	2,615,282	2,428,050	0	65%
52	Southwest Region	9,649,489	5,837,056	5,789,693	0	60%
53	St. Mary's	1,400,000	805,900	840,000	34,100	58%
54	Tanana	1,546,500	610,600	927,900	317,300	39%
55	Unalaska	3,742,611	2,381,430	2,245,567	0	64%
56	Valdez	7,680,728	5,324,180	4,608,437	0	69%
57	Wrangell	3,878,101	2,602,696	2,326,861	0	67%
58	Yakutat	2,051,851	1,361,996	1,231,111	0	66%
59	Yukon Flats	7,166,115	3,844,906	4,299,669	454,763	54%
60	Yukon/Koyukuk	7,985,386	5,181,130	4,791,232	0	65%
61	Yup'it	5,503,370	2,779,670	3,302,022	522,352	51%
62						
63	<b>TOTALS:</b>	954,348,670	\$643,524,288	\$572,609,202	\$13,634,646	

	B	C	D	E	F	G	H	I
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Comparison							
4	March 25, 1998							
5	FY00			D - E	@ 50%		F + G	
6		CS SB36	Existing				Net Change	% Change
7	School	Proposed	Foundation		Transition		State Aid	In
8	District:	State Aid:	State Aid:	Difference:	Funding:	Plus Transition:	Plus Transition:	State Aid
9	Alaska Gateway	4,376,048	4,988,882	(612,834)	305,417	(306,417)		-6.14%
10	Aleutian Region	1,094,895	1,176,499	(81,604)	99,667	18,063		1.54%
11	Aleutians East	3,218,944	3,514,644	(295,700)	147,850	(147,850)		-4.21%
12	Anchorage	196,582,797	188,038,815	8,543,982	-	8,543,982		4.54%
13	Annette Island	1,832,915	1,569,188	263,727	-	263,727		16.81%
14	Bering Strait	15,881,574	17,449,778	(1,568,204)	784,102	(784,102)		-4.49%
15	Bristol Bay	1,434,888	1,654,521	(219,633)	109,817	(109,816)		-6.64%
16	Chatham	2,288,642	2,337,557	(48,915)	24,458	(24,457)		-1.05%
17	Chugach	1,088,933	1,515,697	(426,764)	213,382	(213,382)		-14.08%
18	Copper River	5,630,385	6,225,778	(595,393)	297,697	(297,696)		-4.78%
19	Cordova	2,840,937	2,702,072	138,865	-	138,865		5.14%
20	Craig	2,542,530	2,322,242	220,288	-	220,288		9.49%
21	Delta/Gravelly	5,138,165	4,790,284	347,876	-	347,876		7.26%
22	Denali	2,630,007	2,659,400	(29,393)	14,697	(14,696)		-0.55%
23	Dillingham	3,820,383	3,757,667	62,716	-	62,716		1.67%
24	Fairbanks	68,078,551	64,607,118	3,471,433	-	3,471,433		5.37%
25	Galena	5,145,165	6,649,592	(1,504,427)	752,214	(752,213)		-11.31%
26	Haines	2,457,840	2,141,412	316,428	-	316,428		14.78%
27	Hoonah	1,976,553	1,918,467	58,086	-	58,086		3.03%
28	Hydaburg	1,048,377	1,083,657	(35,280)	71,625	36,345		3.35%
29	Iditarod	4,792,304	5,278,870	(486,566)	243,283	(243,283)		-4.61%
30	Juneau	21,368,302	20,166,492	1,201,810	-	1,201,810		5.96%
31	Kake	1,385,772	1,325,815	59,957	-	59,957		4.52%
32	Kashunamiut	2,129,585	2,235,575	(105,990)	132,905	26,915		1.20%
33	Kenai Peninsula	44,470,936	42,073,799	2,397,137	-	2,397,137		5.70%
34	Ketchikan	10,695,901	8,752,133	1,943,768	-	1,943,768		22.21%
35	Klawock	1,218,793	1,427,412	(208,619)	180,865	(27,754)		-1.94%
36	Kodiak Island	14,079,221	13,876,822	202,399	-	202,399		1.46%
37	Kuspuk	5,521,953	5,513,829	8,124	-	8,124		0.15%
38	Lake & Peninsula	6,584,949	6,743,387	(158,438)	79,219	(79,219)		-1.17%
39	Lower Kuskokwim	31,439,132	38,671,330	(7,232,198)	3,616,099	(3,616,099)		-9.35%
40	Lower Yukon	14,005,113	14,928,605	(923,492)	461,746	(461,746)		-3.09%
41	Mat-Su	59,169,292	58,161,852	1,007,440	-	1,007,440		1.73%
42	Nenana	1,352,512	1,735,074	(382,562)	282,171	(100,391)		-5.79%
43	Nome	5,267,468	5,181,309	86,159	-	86,159		1.66%
44	North Slope	-	11,686,868	(11,686,868)	-	(11,686,868)		-100.00%
45	Northwest Arctic	18,838,430	18,530,116	308,314	-	308,314		1.66%
46	Pelican	354,310	556,016	(201,706)	125,558	(76,148)		-13.70%
47	Petersburg	3,739,432	3,173,500	565,932	-	565,932		17.83%
48	Pribilof	1,664,703	1,883,539	(218,836)	109,418	(109,418)		-5.81%
49	Sitka	7,183,294	6,142,485	1,040,809	-	1,040,809		16.94%
50	Skagway	468,544	683,840	(215,296)	164,073	(51,223)		-7.49%
51	Southeast Island	2,249,264	2,765,941	(516,677)	258,339	(258,338)		-9.34%
52	Southwest Region	6,711,283	7,597,531	(886,248)	443,124	(443,124)		-5.83%
53	St. Mary's	1,099,300	1,414,706	(315,406)	228,158	(87,248)		-6.17%
54	Tanana	1,131,741	1,253,694	(121,953)	124,722	2,769		0.22%
55	Unalaska	1,607,175	1,913,136	(305,961)	252,106	(53,855)		-2.82%
56	Valdez	1,926,045	3,404,758	(1,478,713)	-	(1,478,713)		-43.43%
57	Wrangell	2,771,113	2,312,953	458,160	-	458,160		19.81%
58	Yakutat	1,245,552	1,429,670	(184,118)	92,059	(92,059)		-6.44%
59	Yukon Flats	5,109,703	6,158,915	(1,049,212)	524,606	(524,606)		-8.52%
60	Yukon/Koyukuk	5,709,973	6,788,379	(1,078,406)	539,203	(539,203)		-7.94%
61	Yupik	3,364,387	4,250,129	(885,742)	442,871	(442,871)		-10.42%
62	ACS	4,192,148	3,996,324	195,824	-	195,824		4.90%
63	Mt. Edgecumbe	1,775,329	1,717,150	58,179	-	58,179		3.39%
64	Other	26,096,071	26,096,071	-	-	-		0.00%
66	TOTAL:	\$649,827,559	\$660,931,300	(\$11,103,741)	\$11,122,451	\$18,710		

	B	C	D	E	F	G	H	I	J
1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3						C + E + F			H x I
4	March 25, 1998			Correspondence			Adj. For		Adj
5	FY00			In	Out		School	District	for
6	School	Projected	Students	Students	Total		Size	Cost	Cost
7	District:	ADM:	ADM:	ADM:	ADM:		ADM:	Factor:	Product:
8									
9	Alaska Gateway	494.00	28.00			522.00	748.97	1.291	966.92
10	Aleutian Region	67.00				67.00	141.48	1.736	245.61
11	Aleutians East	345.00				345.00	566.44	1.423	806.04
12	Anchorage	47,832.75				47,832.75	52,208.39	1.000	52,208.39
13	Annette Island	389.00	2.00			391.00	572.46	1.011	578.76
14	Bering Strait	1,809.41				1,809.41	2,657.55	1.525	4,052.76
15	Bristol Bay	308.00				308.00	406.44	1.262	512.93
16	Chatham	297.00				297.00	542.62	1.120	607.73
17	Chugach	81.00	45.00	20.00		146.00	161.63	1.294	209.15
18	Copper River	606.50	37.00	186.00		829.50	920.15	1.176	1,082.10
19	Cordova	530.00				530.00	678.00	1.096	743.09
20	Craig	408.00	30.00	9.00		447.00	577.32	1.010	583.09
21	Delta/Greely	799.00	25.00			824.00	1,110.31	1.106	1,228.00
22	Denali	352.00	3.00			355.00	504.20	1.313	662.01
23	Dillingham	619.00				619.00	767.63	1.254	962.61
24	Fairbanks	15,957.50	490.00			16,447.50	17,376.43	1.039	18,054.11
25	Galena	222.00		1,157.00		1,379.00	356.60	1.348	480.70
26	Haines	429.00	9.00			438.00	644.20	1.008	649.35
27	Hoonah	270.00				270.00	398.10	1.055	420.00
28	Hydaburg	125.00				125.00	208.45	1.085	226.17
29	Iditarod	436.00				436.00	760.58	1.470	1,118.05
30	Juneau	5,721.00	29.00			5,750.00	6,218.92	1.005	6,250.01
31	Kake	190.00				190.00	312.22	1.025	320.03
32	Kashunamiut	279.00				279.00	354.23	1.389	492.03
33	Kenai Peninsula	10,243.96	98.00			10,341.96	12,548.19	1.004	12,598.38
34	Ketchikan	2,650.00	69.00			2,719.00	3,160.98	1.000	3,160.98
35	Klawock	215.00				215.00	288.30	1.017	293.20
36	Kodiak Island	2,819.00	78.00			2,897.00	3,478.96	1.093	3,802.50
37	Kuspuk	510.00				510.00	891.15	1.434	1,277.91
38	Lake & Peninsula	513.00	5.00			518.00	965.27	1.558	1,503.89
39	Lower Kuskokwim	3,642.00				3,642.00	5,045.00	1.491	7,522.10
40	Lower Yukon	1,850.60				1,850.60	2,520.67	1.438	3,624.72
41	Mat-Su	12,045.00	596.00			12,641.00	13,549.15	1.010	13,684.64
42	Nenana	135.00	20.00	65.00		220.00	199.05	1.270	252.79
43	Nome	789.00				789.00	956.83	1.319	1,262.06
44	North Slope	2,037.00				2,037.00	2,629.23	1.504	3,954.36
45	Northwest Arctic	2,233.00	15.00			2,248.00	2,950.50	1.549	4,570.32
46	Pelican	38.00				38.00	67.72	1.290	87.36
47	Petersburg	775.00				775.00	993.42	1.000	993.42
48	Pribilof	196.00				196.00	299.06	1.419	424.37
49	Sitka	1,680.00	70.00			1,750.00	1,993.10	1.000	1,993.10
50	Skagway	130.00				130.00	192.70	1.143	220.26
51	Southeast Island	259.00	10.00			269.00	500.47	1.124	562.53
52	Southwest Region	779.20				779.20	1,147.70	1.423	1,633.18
53	St. Mary's	133.00				133.00	185.08	1.351	250.04
54	Tanana	111.00	2.00			113.00	168.57	1.496	252.18
55	Unalaska	390.00				390.00	533.40	1.245	664.08
56	Valdez	895.00				895.00	1,100.43	1.095	1,204.97
57	Wrangell	498.25	10.00	6.00		514.25	701.14	1.000	701.14
58	Yakutat	178.00				178.00	274.98	1.046	287.63
59	Yukon Flats	409.00	35.00			444.00	712.00	1.668	1,187.62
60	Yukon/Koyukuk	554.00				554.00	923.58	1.502	1,387.22
61	Yupit	412.00				412.00	601.48	1.469	883.57
62	ACS	0.00		1,658.38		1,658.38	0.00	1.000	0.00
63	Mt. Edgecumbe	306.00				306.00	380.42	1.000	380.42
64	Other								
65									
66	TOTALS:	125,993.17	1,706.00	3,101.38		130,800.55	149,151.85	68.00	164,080.58

	B	K	L	M	O	P	Q	S	T
1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3		J x 1.20		M x 5		K + O	Ex 1	F x .65	P + Q + S
4	March 25, 1998	Special	Special		Adjusted		Correspondence		
5	FY00	Education	Education	Adj.	Students +		In	Out	District
6	School	Factor	Intensive:	Intensive	Special		District	District	Adjusted
7	District:	1.20	5.00	Education:	Education:		1.00	0.65	ADM:
8									
9	Alaska Gateway	1,160.30	5.00	25.00	1,185.30	28.00	0.00		1,213.30
10	Aleutian Region	294.73	0.00	0.00	294.73	0.00	0.00		294.73
11	Aleutians East	967.25	3.00	15.00	982.25	0.00	0.00		982.25
12	Anchorage	62,650.07	686.00	3,430.00	66,080.07	0.00	0.00		66,080.07
13	Annette Island	694.51	2.00	10.00	704.51	2.00	0.00		706.51
14	Bering Strait	4,863.31	4.00	20.00	4,883.31	0.00	0.00		4,883.31
15	Bristol Bay	615.52	2.00	10.00	625.52	0.00	0.00		625.52
16	Chatham	729.28	2.00	10.00	739.28	0.00	0.00		739.28
17	Chugach	250.98	0.00	0.00	250.98	45.00	13.00		308.98
18	Copper River	1,298.52	2.00	10.00	1,308.52	37.00	120.90		1,466.42
19	Cordova	891.71	3.00	15.00	906.71	0.00	0.00		906.71
20	Craig	699.71	3.00	15.00	714.71	30.00	5.85		750.56
21	Delta/Greely	1,473.60	6.00	30.00	1,503.60	25.00	0.00		1,528.60
22	Denali	794.41	0.00	0.00	794.41	3.00	0.00		797.41
23	Dillingham	1,155.13	5.00	25.00	1,180.13	0.00	0.00		1,180.13
24	Fairbanks	21,664.93	178.00	890.00	22,554.93	490.00	0.00		23,044.93
25	Galena	576.84	4.00	20.00	596.84	0.00	752.05		1,348.89
26	Haines	779.22	4.00	20.00	799.22	9.00	0.00		808.22
27	Hoonah	504.00	8.00	40.00	544.00	0.00	0.00		544.00
28	Hydaburg	271.40	1.00	5.00	276.40	0.00	0.00		276.40
29	Iditarod	1,341.66	5.00	25.00	1,366.66	0.00	0.00		1,366.66
30	Juneau	7,500.01	76.00	380.00	7,880.01	29.00	0.00		7,909.01
31	Kake	384.04	1.00	5.00	389.04	0.00	0.00		389.04
32	Kashunamiut	590.44	4.00	20.00	610.44	0.00	0.00		610.44
33	Kenai Peninsula	15,118.06	56.00	280.00	15,398.06	98.00	0.00		15,496.06
34	Ketchikan	3,793.18	12.00	60.00	3,853.18	69.00	0.00		3,922.18
35	Klawock	351.84	1.00	5.00	356.84	0.00	0.00		356.84
36	Kodlak Island	4,563.00	12.00	60.00	4,623.00	78.00	0.00		4,701.00
37	Kuspuk	1,533.49	3.00	15.00	1,548.49	0.00	0.00		1,548.49
38	Lake & Peninsula	1,804.67	1.00	5.00	1,809.67	5.00	0.00		1,814.67
39	Lower Kuskokwim	9,026.52	25.00	125.00	9,151.52	0.00	0.00		9,151.52
40	Lower Yukon	4,349.66	2.00	10.00	4,359.66	0.00	0.00		4,359.66
41	Mat-Su	16,421.57	150.00	750.00	17,171.57	596.00	0.00		17,767.57
42	Nenana	303.35	0.00	0.00	303.35	20.00	42.25		365.60
43	Nome	1,514.47	1.00	5.00	1,519.47	0.00	0.00		1,519.47
44	North Slope	4,745.23	4.00	20.00	4,765.23	0.00	0.00		4,765.23
45	Northwest Arctic	5,484.38	3.00	15.00	5,499.38	15.00	0.00		5,514.38
46	Pelican	104.83	0.00	0.00	104.83	0.00	0.00		104.83
47	Petersburg	1,192.10	3.00	15.00	1,207.10	0.00	0.00		1,207.10
48	Pribilof	509.24	1.00	5.00	514.24	0.00	0.00		514.24
49	Sitka	2,391.72	10.00	50.00	2,441.72	70.00	0.00		2,511.72
50	Skagway	264.31	0.00	0.00	264.31	0.00	0.00		264.31
51	Southeast Island	675.04	0.00	0.00	675.04	10.00	0.00		685.04
52	Southwest Region	1,959.82	3.00	15.00	1,974.82	0.00	0.00		1,974.82
53	St. Mary's	300.05	0.00	0.00	300.05	0.00	0.00		300.05
54	Tanana	302.62	0.00	0.00	302.62	2.00	0.00		304.62
55	Unalaska	796.90	1.00	5.00	801.90	0.00	0.00		801.90
56	Valdez	1,445.96	6.00	30.00	1,475.96	0.00	0.00		1,475.96
57	Wrangell	841.37	5.00	25.00	866.37	10.00	3.90		880.27
58	Yakutat	345.16	3.00	15.00	360.16	0.00	0.00		360.16
59	Yukon Flats	1,425.14	0.00	0.00	1,425.14	35.00	0.00		1,460.14
60	Yukon/Koyukuk	1,664.66	7.00	35.00	1,699.66	0.00	0.00		1,699.66
61	Yupit	1,060.28	1.00	5.00	1,065.28	0.00	0.00		1,065.28
62	ACS	0.00	0.00	0.00	0.00	0.00	1,077.95		1,077.95
63	Mt. Edgecumbe	456.50	0.00	0.00	456.50	0.00	0.00		456.50
64	Other								
65									
66	TOTALS:	196,896.69	1,314.00	6,570.00	203,466.69	1,706.00	2,015.90		207,188.59

	B	U	V	W	X	Y	Z
1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am			Base Student Allocation			
3		T x	AS 14.17.470	\$3,889			U - V - Y
4	March 25, 1998	\$3,889				Deductible	
5	FY00			Federal	Impact	Impact	
6	School	State	Required	Impact	Aid	Aid	State
7	District:	Support:	Local:	Aid:	Percent:	90.0%	Share:
8							
9	Alaska Gateway	4,718,524	-	380,529	100.00%	342,476	4,376,048
10	Aleutian Region	1,146,205	-	57,011	100.00%	51,310	1,094,895
11	Aleutians East	3,819,970	365,761	509,562	51.30%	235,265	3,218,944
12	Anchorage	256,985,392	55,828,890	8,314,618	61.12%	4,573,705	196,582,797
13	Annette Island	2,747,617	-	1,016,335	100.00%	914,702	1,832,915
14	Bering Strait	18,991,193	-	3,455,132	100.00%	3,109,619	15,881,574
15	Bristol Bay	2,432,647	860,657	240,580	63.32%	137,102	1,434,888
16	Chatham	2,875,060	-	651,576	100.00%	586,418	2,288,642
17	Chugach	1,201,623	-	125,211	100.00%	112,690	1,088,933
18	Copper River	5,702,907	-	80,580	100.00%	72,522	5,630,385
19	Cordova	3,526,195	674,600	19,032	62.22%	10,658	2,840,937
20	Craig	2,918,928	367,686	16,690	58.00%	8,712	2,542,530
21	Delta/Greely	5,944,725	-	596,178	100.00%	806,560	5,138,165
22	Denali	3,101,127	459,758	27,613	45.72%	11,362	2,630,007
23	Dillingham	4,589,526	608,522	335,087	53.26%	160,621	3,820,383
24	Fairbanks	89,621,733	17,779,142	6,593,515	63.43%	3,764,040	68,078,551
25	Galena	5,245,833	70,412	314,774	10.68%	30,256	5,145,165
26	Haines	3,143,168	674,832	18,985	61.43%	10,496	2,457,840
27	Hoonah	2,115,616	98,904	238,998	18.67%	40,159	1,976,553
28	Hydaburg	1,074,920	23,809	17,039	17.83%	2,734	1,048,377
29	Iditarod	5,314,941	-	580,708	100.00%	522,637	4,792,304
30	Juneau	30,758,140	9,380,326	16,954	62.34%	9,512	21,368,302
31	Kake	1,512,977	69,431	281,923	22.77%	57,774	1,385,772
32	Kashunamiut	2,374,001	-	271,573	100.00%	244,416	2,129,585
33	Kenai Peninsula	60,264,177	15,751,444	83,078	55.90%	41,797	44,470,936
34	Ketchikan	15,253,358	4,552,513	8,986	61.13%	4,944	10,695,901
35	Klawock	1,387,751	62,627	274,629	43.02%	106,331	1,218,793
36	Kodiak Island	18,282,189	3,588,780	1,081,508	63.10%	614,188	14,079,221
37	Kuspuk	6,022,078	-	555,694	100.00%	500,125	5,521,953
38	Lake & Peninsula	7,057,252	268,776	1,028,381	21.99%	203,527	6,584,949
39	Lower Kuskokwim	35,590,261	-	4,612,365	100.00%	4,151,129	31,439,132
40	Lower Yukon	16,954,718	-	3,277,339	100.00%	2,949,605	14,005,113
41	Mat-Su	69,098,080	9,922,903	14,639	44.67%	5,885	59,169,292
42	Nenana	1,421,818	66,968	2,926	88.79%	2,338	1,352,512
43	Nome	5,909,219	626,146	43,424	39.93%	15,605	5,267,468
44	North Slope	18,531,979	18,531,979	2,648,619	67.02%	1,597,594	-
45	Northwest Arctic	21,445,424	1,484,493	2,240,789	55.66%	1,122,501	18,838,430
46	Pelican	407,684	53,374	-	85.72%	-	354,310
47	Petersburg	4,694,412	947,600	15,861	51.70%	7,380	3,739,432
48	Pribilof	1,999,879	-	372,418	100.00%	335,176	1,664,703
49	Sitka	9,768,079	2,500,230	158,779	59.17%	84,555	7,183,294
50	Skagway	1,027,902	559,358	-	74.36%	-	468,544
51	Southeast Island	2,664,121	-	460,952	100.00%	414,857	2,249,264
52	Southwest Region	7,680,075	-	1,076,436	100.00%	968,792	6,711,283
53	St. Mary's	1,166,894	17,993	122,527	44.98%	49,601	1,099,300
54	Tanana	1,184,667	23,286	178,213	18.48%	29,640	1,131,741
55	Unalaska	3,118,589	1,511,123	363	89.05%	291	1,607,175
56	Valdez	5,740,008	3,774,555	43,787	100.00%	39,408	1,926,045
57	Wrangell	3,423,370	651,476	1,812	47.88%	781	2,771,113
58	Yakutat	1,400,662	144,356	39,086	30.57%	10,754	1,245,552
59	Yukon Flats	5,678,484	-	631,979	100.00%	568,781	5,109,703
60	Yukon/Koyukuk	6,609,978	-	1,000,006	100.00%	900,005	5,709,973
61	Yupik	4,142,874	-	864,985	100.00%	778,487	3,364,387
62	ACS	4,192,148	-	-	100.00%	-	4,192,148
63	Mt. Edgecumbe	1,775,329	-	-	100.00%	-	1,775,329
64	Other						26,096,071
65							
66	TOTALS:	\$805,756,427	\$152,302,710	\$45,299,784		\$31,319,823	\$649,827,559

	A	B	D	G
1	Alaska Department of Education			
2	Foundation Program; CSSB 36(FIN) am			
3	Required Local Effort Calculation			
4	March 25, 1998			
5	FY00	G X .004		
6	School District:	Required	Mill Rate	1997 Full
7		Local		
8		Effort:	Determination:	
9	Alaska Gateway	-	-	-
10	Aleutian Region	-	-	-
11	Aleutians East	365,761	365,761	91,440,300
12	Anchorage	55,828,890	55,828,890	13,957,222,570
13	Annette Island	-	-	-
14	Bering Strait	-	-	-
15	Bristol Bay	860,657	860,657	215,164,218
16	Chatham	-	-	-
17	Chugach	-	-	-
18	Copper River	-	-	-
19	Cordova	674,600	674,600	168,650,100
20	Craig	367,686	367,686	91,921,400
21	Delta/Greely	-	-	-
22	Denali	459,758	459,758	114,939,500
23	Dillingham	608,522	608,522	152,130,600
24	Fairbanks	17,779,142	17,779,142	4,444,785,400
25	Galena	70,412	70,412	17,603,000
26	Haines	674,832	674,832	168,708,000
27	Hoonah	98,904	98,904	24,725,900
28	Hydaburg	23,809	23,809	5,952,200
29	Iditarod	-	-	-
30	Juneau	9,380,326	9,380,326	2,345,081,400
31	Kake	69,431	69,431	17,357,800
32	Kashunamiut	-	-	-
33	Kenai Peninsula	15,751,444	15,751,444	3,937,860,920
34	Ketchikan	4,552,513	4,552,513	1,138,128,200
35	Klawoc	62,627	62,627	15,656,700
36	Kodiak Island	3,588,780	3,588,780	897,194,900
37	Kuspuk	-	-	-
38	Lake & Peninsula	268,776	268,776	67,193,900
39	Lower Kuskokwim	-	-	-
40	Lower Yukon	-	-	-
41	Mat-Su	9,922,903	9,922,903	2,480,725,840
42	Nenana	66,968	66,968	16,742,100
43	Nome	626,146	626,146	156,536,400
44	North Slope	18,531,979	18,531,979	11,749,014,490
45	Northwest Arctic	1,484,493	1,484,493	371,123,200
46	Pelican	53,374	53,374	13,343,500
47	Petersburg	947,600	947,600	236,900,000
48	Pribilof	-	-	-
49	Sitka	2,500,230	2,500,230	625,057,600
50	Skagway	559,358	559,358	139,839,400
51	Southeast Island	-	-	-
52	Southwest Region	-	-	-
53	St. Mary's	17,993	17,993	4,498,200
54	Tanana	23,286	23,286	5,821,600
55	Unalaska	1,511,123	1,511,123	377,780,800
56	Valdez	3,774,555	3,774,555	943,638,760
57	Wrangell	651,476	651,476	162,869,100
58	Yakutat	144,356	144,356	36,089,000
59	Yukon Flats	-	-	-
60	Yukon/Koyukuk	-	-	-
61	Yupilt	-	-	-
62	ACS	-	-	-
63	Mt. Edgecumbe	-	-	-
64	Other	-	-	-
66	TOTAL:	\$152,302,710	\$152,302,710	\$45,191,696,998

	B	D	E	F	G	H	I	J	K
1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3	Transition Calculation								
4	March 25, 1998								
5	FY00		E + F			G - H		I x 50%	
6			Additional	Foundation	SB35		Difference		
7		Mill	Total	District	Plus	State		@	
8	School District:	Rate:	Foundation:	Support:	Single Site:	Aid:	Difference:	50.0%	Transition:
9	Alaska Gateway	4.000	4,988,882		4,988,882	4,376,048	612,834	306,417	306,417
10	Aleutian Region	4.000	1,176,499	117,730	1,294,229	1,094,895	199,334	99,667	99,667
11	Aleutians East	7.700	3,514,644		3,514,644	3,218,944	295,700	147,850	147,850
12	Anchorage	6.500	188,038,815		188,038,815	196,582,797	(8,543,982)	(4,271,991)	-
13	Annette Island	4.000	1,569,188	161,650	1,730,838	1,832,915	(102,077)	(51,039)	-
14	Bering Strait	4.000	17,449,778		17,449,778	15,881,574	1,568,204	784,102	784,102
15	Bristol Bay	6.200	1,654,521		1,654,521	1,434,888	219,633	109,817	109,817
16	Chatham	4.000	2,337,557		2,337,557	2,288,642	48,915	24,458	24,458
17	Chugach	4.000	1,515,697		1,515,697	1,088,933	426,764	213,382	213,382
18	Copper River	4.000	6,225,778		6,225,778	5,630,385	595,393	297,697	297,697
19	Cordova	6.400	2,702,072	166,530	2,868,602	2,840,937	27,665	13,833	-
20	Craig	6.600	2,322,242	179,950	2,502,192	2,542,530	(40,338)	(20,169)	-
21	Delta/Græly	4.000	4,790,289		4,790,289	5,138,165	(347,876)	(173,938)	-
22	Denali	8.700	2,659,400		2,659,400	2,630,007	29,393	14,697	14,697
23	Dillingham	7.000	3,757,667	220,200	3,977,867	3,820,383	157,484	78,742	-
24	Fairbanks	6.600	64,607,118		64,607,118	68,078,551	(3,471,433)	(1,735,717)	-
25	Galena	34.600	6,649,592		6,649,592	5,145,165	1,504,427	752,214	752,214
26	Haines	6.600	2,141,412		2,141,412	2,457,840	(316,428)	(158,214)	-
27	Hoonah	21.600	1,918,467	126,270	2,044,737	1,976,553	68,184	34,092	-
28	Hydaburg	6.400	1,083,657	107,970	1,191,627	1,048,377	143,250	71,625	71,625
29	Iditarod	4.000	5,278,870		5,278,870	4,792,304	486,566	243,283	243,283
30	Juneau	6.400	20,166,492		20,166,492	21,368,302	(1,201,810)	(600,905)	-
31	Kake	9.800	1,325,815	140,910	1,466,725	1,385,772	80,953	40,477	-
32	Kashunamiut	4.000	2,235,575	159,820	2,395,395	2,129,585	265,810	132,905	132,905
33	Kenai Peninsula	7.200	42,073,799		42,073,799	44,470,936	(2,397,137)	(1,198,569)	-
34	Ketchikan	6.500	8,752,133		8,752,133	10,695,901	(1,943,768)	(971,884)	-
35	Klawock	5.500	1,427,412	153,110	1,580,522	1,218,793	361,729	180,865	180,865
36	Kodiak Island	6.500	13,876,822		13,876,822	14,079,221	(202,399)	(101,200)	-
37	Kuspuk	4.000	5,513,829		5,513,829	5,521,953	(8,124)	(4,062)	-
38	Lake & Peninsula	17.900	6,743,387		6,743,387	6,584,949	158,438	79,219	79,219
39	Lower Kuskokwim	4.000	38,671,330		38,671,330	31,439,132	7,232,198	3,616,099	3,616,099
40	Lower Yukon	4.000	14,928,605		14,928,605	14,005,113	923,492	461,746	461,746
41	Mat-Su	8.900	58,161,852		58,161,852	59,169,292	(1,007,440)	(503,720)	-
42	Nenana	4.200	1,735,074	181,780	1,916,854	1,352,512	564,342	282,171	282,171
43	Nome	8.400	5,181,309	285,470	5,466,779	5,267,468	199,311	99,656	-
44	North Slope	2.300	11,686,868		11,686,868	-	11,686,868	5,843,434	-
45	Northwest Arctic	6.200	18,530,116		18,530,116	18,838,430	(308,314)	(154,157)	-
46	Pelican	4.700	556,016	49,410	605,426	354,310	251,116	125,558	125,558
47	Petersburg	7.800	3,173,500	211,660	3,385,160	3,739,432	(354,272)	(177,136)	-
48	Pribilof	4.000	1,883,539		1,883,539	1,664,703	218,836	109,418	109,418
49	Sitka	6.800	6,142,485		6,142,485	7,183,294	(1,040,809)	(520,405)	-
50	Skagway	5.400	683,840	112,850	796,690	468,544	328,146	164,073	164,073
51	Southeast Island	4.000	2,765,941		2,765,941	2,249,264	516,677	258,339	258,339
52	Southwest Region	4.000	7,597,531		7,597,531	6,711,283	886,248	443,124	443,124
53	St. Mary's	8.900	1,414,706	140,910	1,555,616	1,099,300	456,316	228,158	228,158
54	Tanana	23.700	1,253,694	127,490	1,381,184	1,131,741	249,443	124,722	124,722
55	Unalaska	4.500	1,913,136	198,250	2,111,386	1,607,175	504,211	252,106	252,106
56	Valdez	3.900	3,404,758	265,960	3,670,718	1,926,045	1,744,673	872,337	-
57	Wrangell	8.200	2,312,953	196,420	2,509,373	2,771,113	(261,740)	(130,870)	-
58	Yakutat	12.400	1,429,670		1,429,670	1,245,552	184,118	92,059	92,059
59	Yukon Flats	4.000	6,158,915		6,158,915	5,109,703	1,049,212	524,606	524,606
60	Yukon/Koyukuk	4.000	6,788,379		6,788,379	5,709,973	1,078,406	539,203	539,203
61	Yupik	4.000	4,250,129		4,250,129	3,364,387	885,742	442,871	442,871
62	ACS	4.000	3,996,324		3,996,324	4,192,148	(195,824)	(97,912)	-
63	Mt. Edgecumbe	4.000	1,717,150		1,717,150	1,775,329	(58,179)	(29,090)	-
64	Other		26,096,071		26,096,071	26,096,071	-	-	-
66			\$660,931,300	\$3,304,340	\$664,235,640	\$649,827,559	\$14,408,081	\$7,204,041	\$11,122,451

	A	B	C	D	E	F	G	H
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Required Local Effort & Maximum							
4	March 25, 1998		B + C		B - E		E - D	D - E
5	FY00	23% or		Tax & In-kind		Amount		Room
6		2 Mills		FY98		Over		Under
7		Required	Allowable	Maximum	Budgeted	Amount to	Excess	Local
8	School District:	Effort	Excess	Local	Local	Meet Req.		Cap
9	Alaska Gateway	-	1,085,261	1,085,261	-	-	-	-
10	Aleutian Region	-	263,627	263,627	-	-	-	-
11	Aleutians East	365,761	878,593	1,244,354	708,000	-	-	536,354
12	Anchorage	55,828,890	59,106,640	114,935,530	87,682,805	-	-	27,252,725
13	Annette Island	-	631,952	631,952	-	-	-	-
14	Bering Strait	-	4,367,974	4,367,974	-	-	-	-
15	Bristol Bay	860,657	559,509	1,420,166	1,324,152	-	-	96,014
16	Chatham	-	661,264	661,264	-	-	-	-
17	Chugach	-	276,373	276,373	-	-	-	-
18	Copper River	-	1,311,669	1,311,669	-	-	-	-
19	Cordova	674,600	811,025	1,485,625	1,052,000	-	-	433,625
20	Craig	367,686	671,353	1,039,039	584,728	-	-	454,311
21	Delta/Greely	-	1,367,287	1,367,287	-	-	-	-
22	Denali	459,758	713,259	1,173,017	981,736	-	-	191,281
23	Dillingham	608,522	1,055,591	1,664,113	942,500	-	-	721,613
24	Fairbanks	17,779,142	20,612,999	38,392,141	27,680,000	-	-	10,712,141
25	Galena	70,412	1,206,542	1,276,954	556,527	-	-	720,427
26	Haines	674,832	722,929	1,397,761	1,080,455	-	-	317,306
27	Hoonah	98,904	486,592	585,496	454,727	-	-	130,769
28	Hydaburg	23,809	247,232	271,041	34,000	-	-	237,041
29	Iditarod	-	1,222,436	1,222,436	-	-	-	-
30	Juneau	9,380,326	7,074,372	16,454,698	14,953,000	-	-	1,501,698
31	Kake	69,431	347,985	417,416	150,000	-	-	267,416
32	Kashunamiut	-	546,020	546,020	-	-	-	-
33	Kenai Peninsula	15,751,444	13,860,761	29,612,205	28,095,197	-	-	1,517,008
34	Ketchikan	4,552,513	3,508,272	8,060,785	7,358,058	-	-	702,727
35	Klawock	62,627	319,183	381,810	51,125	11,502	-	330,685
36	Kodiak Island	3,588,780	4,204,903	7,793,683	5,603,980	-	-	2,189,703
37	Kuspuk	-	1,385,078	1,385,078	-	-	-	-
38	Lake & Peninsula	268,776	1,623,168	1,891,944	1,026,500	-	-	865,444
39	Lower Kuskokwim	-	8,185,760	8,185,760	-	-	-	-
40	Lower Yukon	-	3,899,585	3,899,585	-	-	-	-
41	Mat-Su	9,922,903	15,892,558	25,815,461	22,139,480	-	-	3,675,981
42	Nenana	66,968	327,018	393,986	66,120	848	-	327,866
43	Nome	626,146	1,359,120	1,985,266	1,251,731	-	-	733,535
44	North Slope	18,531,979	23,498,029	42,030,008	27,600,068	-	-	14,429,940
45	Northwest Arctic	1,484,493	4,932,448	6,416,941	1,984,920	-	-	4,432,021
46	Pelican	53,374	93,767	147,141	62,266	-	-	84,875
47	Petersburg	947,600	1,079,715	2,027,315	1,807,361	-	-	219,954
48	Pribilof	-	459,972	459,972	-	-	-	-
49	Sitka	2,500,230	2,246,658	4,746,888	4,210,656	-	-	536,232
50	Skagway	559,358	279,679	839,037	746,690	-	-	92,347
51	Southeast Island	-	612,748	612,748	-	-	-	-
52	Southwest Region	-	1,766,417	1,766,417	-	-	-	-
53	St. Mary's	17,993	268,386	286,379	25,000	-	-	261,379
54	Tanana	23,286	272,473	295,759	115,000	-	-	180,759
55	Unalaska	1,511,123	755,562	2,266,685	1,660,932	-	-	605,753
56	Valdez	3,774,555	1,887,278	5,661,833	3,579,727	194,828	-	2,082,106
57	Wrangell	651,476	787,375	1,438,851	1,329,000	-	-	109,851
58	Yakutat	144,356	322,152	466,508	432,150	-	-	34,358
59	Yukon Flats	-	1,306,051	1,306,051	-	-	-	-
60	Yukon/Koyukuk	-	1,520,295	1,520,295	-	-	-	-
61	Yuplit	-	952,861	952,861	-	-	-	-
62	ACS							
63	Mt. Edgecumbe							
64	TOTALS	\$152,302,710	\$203,835,756	\$356,138,466	\$247,330,591	\$207,178	\$0	\$76,985,245

	A	B	C	D	E	F
1	Alaska Department of Education					
2	Foundation Program; CSSB 36(FIN) am					
3	Page 9, Sec. 14.17.530 - Administrative Cap					
4	March 25, 1998					
5						
6	FY00					
7		Total FY98	Instructional	Total Expend. @	Reduction in	% of Instruc.
8		Budgeted Expenditures	Expenditures	65%	State Aid	to Total Exp.
9	Alaska Gateway	6,375,467	3,816,771	4,144,054	327,283	60%
10	Alutian Region	1,227,397	613,635	797,808	184,173	50%
11	Aleutians East	5,353,492	2,669,533	3,479,770	810,237	50%
12	Anchorage	285,848,000	209,941,815	185,801,200	0	73%
13	Annette Island	4,079,627	2,552,320	2,651,758	99,438	63%
14	Bering Strait	24,031,447	12,940,060	15,620,441	2,680,381	54%
15	Bristol Bay	3,451,754	2,126,224	2,243,640	117,416	62%
16	Chatham	3,700,057	2,645,572	2,405,037	0	72%
17	Chugach	1,639,001	880,501	1,065,351	184,850	54%
18	Copper River	6,245,467	4,119,378	4,059,554	0	66%
19	Cordova	4,028,281	2,529,566	2,618,383	88,817	63%
20	Craig	3,332,138	2,200,915	2,165,890	0	66%
21	Delta/Greely	6,239,396	3,623,963	4,055,607	431,644	58%
22	Denali	3,826,030	2,350,417	2,486,920	136,503	61%
23	Dillingham	5,369,398	3,643,045	3,490,109	0	68%
24	Fairbanks	105,010,000	75,832,355	68,256,500	0	72%
25	Galena	4,137,563	2,109,716	2,689,416	579,700	51%
26	Haines	3,576,694	2,392,495	2,324,851	0	67%
27	Hoonah	3,555,793	1,896,929	2,311,265	414,336	53%
28	Hydaburg	1,319,025	676,132	857,366	181,234	51%
29	Iditarod	5,825,818	3,108,838	3,786,782	677,944	53%
30	Juneau	35,823,100	26,387,712	23,285,015	0	74%
31	Knife	2,179,381	1,171,595	1,416,598	245,003	54%
32	Kashunamiut	2,754,440	1,415,373	1,790,386	375,013	51%
33	Kenai Peninsula	72,077,053	50,062,456	46,850,034	0	69%
34	Ketchikan	16,152,612	11,204,219	10,499,198	0	69%
35	Klawock	2,276,154	1,442,696	1,479,500	36,804	63%
36	Kodiak Island	22,289,424	15,074,760	14,488,126	0	68%
37	Kuspuk	6,208,037	3,779,987	4,035,224	255,237	61%
38	Lake & Peninsula	9,315,700	4,519,680	6,055,205	1,535,525	49%
39	Lower Kuskokwim	45,485,933	28,968,961	29,565,856	596,895	64%
40	Lower Yukon	19,896,016	11,997,659	12,932,410	934,751	60%
41	Mat-Su	80,993,413	59,111,447	52,645,718	0	73%
42	Nenana	1,732,845	1,005,643	1,126,349	120,706	58%
43	Nome	7,013,644	4,077,783	4,558,869	481,086	58%
44	North Slope	43,150,068	20,680,500	28,047,544	7,367,044	48%
45	Northwest Arctic	23,012,977	11,993,882	14,958,435	2,964,553	52%
46	Pelican	630,278	330,120	409,681	79,561	52%
47	Petersburg	5,296,650	3,595,918	3,442,823	0	68%
48	Pribilof	2,748,600	1,547,494	1,786,590	239,096	56%
49	Sitka	11,027,597	8,303,056	7,167,938	0	75%
50	Skagway	1,462,002	838,321	950,301	111,980	57%
51	Southeast Island	4,046,750	2,615,282	2,630,388	15,106	65%
52	Southwest Region	9,649,489	5,837,056	6,272,168	435,112	60%
53	St. Mary's	1,400,000	805,900	910,000	104,100	58%
54	Tanana	1,546,500	610,600	1,005,225	394,625	39%
55	Unalaska	3,742,611	2,381,430	2,432,697	51,267	64%
56	Valdez	7,680,729	5,324,180	4,992,473	0	69%
57	Wrangell	3,878,101	2,602,696	2,520,766	0	67%
58	Yakutat	2,051,851	1,361,996	1,333,703	0	66%
59	Yukon Flats	7,166,115	3,844,906	4,657,975	813,069	54%
60	Yukon/Koyukuk	7,985,386	5,181,130	5,190,501	9,371	65%
61	Yup'it	5,503,370	2,779,670	3,577,191	797,521	51%
62						
63	<b>TOTALS:</b>	954,348,670	\$643,524,288	\$620,326,636	\$24,877,379	

	B	C	D	E	F	H	I
1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am						
3	Comparison						
	March 25, 1998						
	FY01			D - E	F		
6		CS SB36	Existing		Net Change	% Change	
7	School	Proposed	Foundation		State Aid	In	
8	District:	State Aid:	State Aid:	Difference:		State Aid	
9	Alaska Gateway	4,442,779	4,988,882	(546,103)	(546,103)	-10.95%	
10	Aleutian Region	1,111,105	1,176,499	(65,394)	(65,394)	-5.56%	
11	Aleutians East	3,272,968	3,514,644	(241,676)	(241,676)	-6.88%	
12	Anchorage	200,217,201	188,038,815	12,178,386	12,178,386	6.48%	
13	Annette Island	1,871,773	1,569,188	302,585	302,585	19.28%	
14	Bering Strait	16,150,156	17,449,778	(1,299,622)	(1,299,622)	-7.45%	
15	Bristol Bay	1,469,292	1,654,521	(185,229)	(185,229)	-11.20%	
16	Chatham	2,329,302	2,337,557	(8,255)	(8,255)	-0.35%	
17	Chugach	1,105,927	1,515,697	(409,770)	(409,770)	-27.04%	
18	Copper River	5,711,038	6,225,778	(514,740)	(514,740)	-8.27%	
19	Cordova	2,890,806	2,702,072	188,734	188,734	6.98%	
20	Craig	2,583,811	2,322,242	261,569	261,569	11.26%	
21	Delta/Greely	5,222,238	4,790,289	431,949	431,949	9.02%	
22	Denali	2,673,865	2,659,400	14,465	14,465	0.54%	
23	Dillingham	3,885,290	3,757,667	127,623	127,623	3.40%	
24	Fairbanks	69,346,022	64,607,118	4,738,904	4,738,904	7.33%	
25	Galena	5,219,354	6,649,592	(1,430,238)	(1,430,238)	-21.51%	
26	Haines	2,502,292	2,141,412	360,880	360,880	16.85%	
27	Hoonah	2,006,473	1,918,467	88,006	88,006	4.59%	
28	Hydaburg	1,063,579	1,083,657	(20,078)	(20,078)	-1.85%	
29	Iditarod	4,867,470	5,278,870	(411,400)	(411,400)	-7.79%	
30	Juneau	21,803,297	20,166,492	1,636,805	1,636,805	8.12%	
31	Kenai	1,407,169	1,325,815	81,354	81,354	6.14%	
32	Kashunamiut	2,163,159	2,235,575	(72,416)	(72,416)	-3.24%	
33	Kenai Peninsula	45,323,220	42,073,799	3,249,421	3,249,421	7.72%	
34	Ketchikan	10,911,621	8,752,133	2,159,488	2,159,488	24.67%	
35	Klawock	1,238,419	1,427,412	(188,993)	(188,993)	-13.24%	
36	Kodiak Island	14,337,776	13,876,822	460,954	460,954	3.32%	
37	Kuspuk	5,607,120	5,513,829	93,291	93,291	1.69%	
38	Lake & Peninsula	6,684,755	6,743,387	(58,632)	(58,632)	-0.87%	
39	Lower Kuskokwim	31,942,466	38,671,330	(6,728,864)	(6,728,864)	-17.40%	
40	Lower Yukon	14,214,894	14,928,605	(683,711)	(683,711)	-4.58%	
41	Mat-Su	60,146,508	58,161,852	1,984,656	1,984,656	3.41%	
42	Nenana	1,372,620	1,735,074	(362,454)	(362,454)	-20.89%	
43	Nome	5,351,039	5,181,309	169,730	169,730	3.28%	
44	North Slope	-	11,686,868	(11,686,868)	(11,686,868)	-100.00%	
45	Northwest Arctic	1,141,721	18,530,116	611,605	611,605	3.30%	
46	Pelican	360,076	556,016	(195,940)	(195,940)	-35.24%	
47	Petersburg	3,805,822	3,173,500	632,322	632,322	19.93%	
48	Pribilof	1,692,987	1,883,539	(190,552)	(190,552)	-10.12%	
49	Sitka	7,321,439	6,142,485	1,178,954	1,178,954	19.19%	
50	Skagway	483,081	683,840	(200,759)	(200,759)	-29.36%	
51	Southeast Island	2,286,941	2,765,941	(479,000)	(479,000)	-17.32%	
52	Southwest Region	6,819,898	7,597,531	(777,633)	(777,633)	-10.24%	
53	St. Mary's	1,115,803	1,414,706	(298,903)	(298,903)	-21.13%	
54	Tanana	1,148,495	1,253,694	(105,199)	(105,199)	-8.39%	
55	Unalaska	1,651,280	1,913,136	(261,856)	(261,856)	-13.69%	
56	Valdez	2,007,223	3,404,758	(1,397,535)	(1,397,535)	-41.05%	
57	Wrangell	2,819,528	2,312,953	506,575	506,575	21.90%	
58	Yakutat	1,265,361	1,429,670	(164,309)	(164,309)	-11.49%	
59	Yukon Flats	5,190,011	6,158,915	(968,904)	(968,904)	-15.73%	
60	Yukon/Koyukuk	5,803,454	6,788,379	(984,925)	(984,925)	-14.51%	
61	Yupit	3,422,977	4,250,129	(827,152)	(827,152)	-19.46%	
62	ACS	4,251,435	3,996,324	255,111	255,111	6.38%	
63	Mt. Edgecumbe	1,800,436	1,717,150	83,286	83,286	4.85%	
64	Other	26,096,071	26,096,071	-	-	0.00%	
66	TOTAL:	\$660,960,843	\$660,931,300	\$29,543	\$29,543		

	B	C	D	E	F	G	H	I	J
1	Alaska Department of Education								
2	Foundation Program; CSSB 36(FIN) am								
3									
4	March 25, 1998	C + E + F					H x I		
5	FY01	Correspondence				Adj. For	District	Adj	
6	School	Projected	In	Out	Total	School	Cost	for	Product:
7	District:		ADM:	Students		Students		ADM:	
8			ADM:	ADM:	ADM:	ADM:	Factor:		
9	Alaska Gateway	494.00	28.00		522.00	748.97	1.291	966.92	
10	Aleutian Region	67.00			67.00	141.48	1.736	245.61	
11	Aleutians East	345.00			345.00	566.44	1.423	806.04	
12	Anchorage	47,832.75			47,832.75	52,208.39	1.000	52,208.39	
13	Annette Island	389.00	2.00		391.00	572.46	1.011	578.76	
14	Bering Strait	1,809.41			1,809.41	2,657.55	1.525	4,052.76	
15	Bristol Bay	308.00			308.00	406.44	1.262	512.93	
16	Chatham	297.00			297.00	542.62	1.120	607.73	
17	Chugach	81.00	45.00	20.00	146.00	161.63	1.294	209.15	
18	Copper River	606.50	37.00	186.00	829.50	920.15	1.176	1,082.10	
19	Cordova	530.00			530.00	678.00	1.096	743.09	
20	Craig	408.00	30.00	9.00	447.00	577.32	1.010	583.09	
21	Delta/Greely	799.00	25.00		824.00	1,110.31	1.106	1,228.00	
22	Denali	352.00	3.00		355.00	504.20	1.313	662.01	
23	Dillingham	619.00			619.00	767.63	1.254	962.61	
24	Fairbanks	15,957.50	490.00		16,447.50	17,376.43	1.039	18,054.11	
25	Galena	222.00		1,157.00	1,379.00	356.60	1.348	480.70	
26	Haines	429.00	9.00		438.00	644.20	1.008	649.35	
27	Hoonah	270.00			270.00	398.10	1.055	420.00	
28	Hydaburg	125.00			125.00	208.45	1.085	226.17	
29	Iditarod	436.00			436.00	760.58	1.470	1,118.05	
30	Juneau	5,721.00	29.00		5,750.00	6,218.92	1.005	6,250.01	
31	Kake	190.00			190.00	312.22	1.025	320.03	
32	Kashunamiut	279.00			279.00	354.23	1.389	492.03	
33	Kenai Peninsula	10,243.96	98.00		10,341.96	12,548.19	1.004	12,598.38	
34	Ketchikan	2,650.00	69.00		2,719.00	3,160.98	1.000	3,160.98	
35	Klawock	215.00			215.00	288.30	1.017	293.20	
36	Kodiak Island	2,819.00	78.00		2,897.00	3,478.96	1.093	3,802.50	
37	Kuspuk	510.00			510.00	891.15	1.434	1,277.91	
38	Lake & Peninsula	513.00	5.00		518.00	965.27	1.558	1,503.89	
39	Lower Kuskokwim	3,642.00			3,642.00	5,045.00	1.491	7,522.10	
40	Lower Yukon	1,850.60			1,850.60	2,520.67	1.438	3,624.72	
41	Mat-Su	12,045.00	596.00		12,641.00	13,549.15	1.010	13,684.64	
42	Nenana	135.00	20.00	65.00	220.00	199.05	1.270	252.79	
43	Nome	789.00			789.00	956.83	1.319	1,262.06	
44	North Slope	2,037.00			2,037.00	2,629.23	1.504	3,954.36	
45	Northwest Arctic	2,233.00	15.00		2,248.00	2,950.50	1.549	4,570.32	
46	Pelican	38.00			38.00	67.72	1.290	87.36	
47	Petersburg	775.00			775.00	993.42	1.000	993.42	
48	Pribilof	196.00			196.00	299.06	1.419	424.37	
49	Sitka	1,680.00	70.00		1,750.00	1,993.10	1.000	1,993.10	
50	Skagway	130.00			130.00	192.70	1.143	220.26	
51	Southeast Island	259.00	10.00		269.00	500.47	1.124	562.53	
52	Southwest Region	779.20			779.20	1,147.70	1.423	1,633.18	
53	St. Mary's	133.00			133.00	185.08	1.351	250.04	
54	Tanana	111.00	2.00		113.00	168.57	1.496	252.18	
55	Unalaska	390.00			390.00	533.40	1.245	664.08	
56	Valdez	895.00			895.00	1,100.43	1.095	1,204.97	
57	Wrangell	498.25	10.00	6.00	514.25	701.14	1.000	701.14	
58	Yakutat	178.00			178.00	274.98	1.046	287.63	
59	Yukon Flats	409.00	35.00		444.00	712.00	1.668	1,187.62	
60	Yukon/Koyukuk	554.00			554.00	923.58	1.502	1,387.22	
61	Yupit	412.00			412.00	601.48	1.469	883.57	
62	ACS	0.00		1,658.38	1,658.38	0.00	1.000	0.00	
63	Mt. Edgecumbe	306.00			306.00	380.42	1.000	380.42	
64	Other								
66	TOTALS:	125,993.17	1,706.00	3,101.38	130,800.55	149,151.85	68.00	164,080.58	

	B	K	M	O	P	Q	S
1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am						
3		J x 1.20		M x 5	K + O	Ex 1	F x .65
4	March 25, 1998	Special Education	Special Education	Adj. Intensive Education:	Adjusted Students + Special Education:	Correspondence In District	Out District
5	FY01	Factor	Intensive:	Intensive Education:	Special Education:	1.00	0.65
6	School District:	1.20	5.00				
7							
8							
9	Alaska Gateway	1,160.30	5.00	25.00	1,185.30	28.00	0.00
10	Aleutian Region	294.73	0.00	0.00	294.73	0.00	0.00
11	Aleutians East	967.25	3.00	15.00	982.25	0.00	0.00
12	Anchorage	62,650.07	686.00	3,430.00	66,080.07	0.00	0.00
13	Annette Island	694.51	2.00	10.00	704.51	2.00	0.00
14	Bering Strait	4,863.31	4.00	20.00	4,883.31	0.00	0.00
15	Bristol Bay	615.52	2.00	10.00	625.52	0.00	0.00
16	Chatham	729.28	2.00	10.00	739.28	0.00	0.00
17	Chugach	250.98	0.00	0.00	250.98	45.00	13.00
18	Copper River	1,298.52	2.00	10.00	1,308.52	37.00	120.90
19	Cordova	891.71	3.00	15.00	906.71	0.00	0.00
20	Craig	699.71	3.00	15.00	714.71	30.00	5.85
21	Delta/Greely	1,473.60	6.00	30.00	1,503.60	25.00	0.00
22	Denali	794.41	0.00	0.00	794.41	3.00	0.00
23	Dillingham	1,155.13	5.00	25.00	1,180.13	0.00	0.00
24	Fairbanks	21,664.93	178.00	890.00	22,554.93	490.00	0.00
25	Galena	576.84	4.00	20.00	596.84	0.00	752.05
26	Haines	779.22	4.00	20.00	799.22	9.00	0.00
27	Hoonah	504.00	8.00	40.00	544.00	0.00	0.00
28	Hydaburg	271.40	1.00	5.00	276.40	0.00	0.00
29	Iditarod	1,341.66	5.00	25.00	1,366.66	0.00	0.00
30	Juneau	7,500.01	76.00	380.00	7,880.01	29.00	0.00
31	Kake	384.04	1.00	5.00	389.04	0.00	0.00
32	Kashunamiut	590.44	4.00	20.00	610.44	0.00	0.00
33	Kenai Peninsula	15,118.06	56.00	280.00	15,398.06	98.00	0.00
34	Ketchikan	3,793.18	12.00	60.00	3,853.18	69.00	0.00
35	Klawock	351.84	1.00	5.00	356.84	0.00	0.00
36	Kodiak Island	4,563.00	12.00	60.00	4,623.00	78.00	0.00
37	Kuspuk	1,533.49	3.00	15.00	1,548.49	0.00	0.00
38	Lake & Peninsula	1,804.67	1.00	5.00	1,809.67	5.00	0.00
39	Lower Kuskokwim	9,026.52	25.00	125.00	9,151.52	0.00	0.00
40	Lower Yukon	4,349.66	2.00	10.00	4,359.66	0.00	0.00
41	Mat-Su	16,421.57	150.00	750.00	17,171.57	596.00	0.00
42	Nenana	303.35	0.00	0.00	303.35	20.00	42.25
43	Nome	1,514.47	1.00	5.00	1,519.47	0.00	0.00
44	North Slope	4,745.23	4.00	20.00	4,765.23	0.00	0.00
45	Northwest Arctic	5,484.38	3.00	15.00	5,499.38	15.00	0.00
46	Pelican	104.83	0.00	0.00	104.83	0.00	0.00
47	Petersburg	1,192.10	3.00	15.00	1,207.10	0.00	0.00
48	Pribilof	509.24	1.00	5.00	514.24	0.00	0.00
49	Sitka	2,391.72	10.00	50.00	2,441.72	70.00	0.00
50	Skagway	264.31	0.00	0.00	264.31	0.00	0.00
51	Southeast Island	675.04	0.00	0.00	675.04	10.00	0.00
52	Southwest Region	1,959.82	3.00	15.00	1,974.82	0.00	0.00
53	St. Mary's	300.05	0.00	0.00	300.05	0.00	0.00
54	Tanana	302.62	0.00	0.00	302.62	2.00	0.00
55	Unalaska	796.90	1.00	5.00	801.90	0.00	0.00
56	Valdez	1,445.96	6.00	30.00	1,475.96	0.00	0.00
57	Wrangell	841.37	5.00	25.00	866.37	10.00	3.90
58	Yakutat	345.16	3.00	15.00	360.16	0.00	0.00
59	Yukon Flats	1,425.14	0.00	0.00	1,425.14	35.00	0.00
60	Yukon/Koyukuk	1,664.66	7.00	35.00	1,699.66	0.00	0.00
61	Yuplit	1,060.28	1.00	5.00	1,065.28	0.00	0.00
62	ACS	0.00	0.00	0.00	0.00	0.00	1,077.95
63	Mt. Edgcumbe	456.50	0.00	0.00	456.50	0.00	0.00
64	Other						
66	TOTALS:	196,896.69	1,314.00	6,570.00	203,466.69	1,706.00	2,015.90

	B	T	U	V	W	X	Y	Z
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3		P + Q + S		T x	AS 14.17.470	\$3,944		U - V - Y
4	March 25, 1998			\$3,944				Deductible
5	FY01	District			Federal	Impact	Impact	
6	School	Adjusted	State	Required	Impact	Aid	Aid	State
7	District:	ADM:	Support:	Local:	Aid:	Percent:	90.0%	Share:
8								
9	Alaska Gateway	1,213.30	4,785,255	-	380,529	100.00%	342,476	4,442,779
10	Aleutian Region	294.73	1,162,415	-	57,011	100.00%	51,310	1,111,105
11	Aleutians East	982.25	3,873,994	365,761	509,562	51.30%	235,265	3,272,968
12	Anchorage	66,080.07	260,619,796	55,828,890	8,314,618	61.12%	4,573,705	200,217,201
13	Annette Island	706.51	2,786,475	-	1,016,335	100.00%	914,702	1,871,773
14	Bering Strait	4,883.31	19,259,775	-	3,455,132	100.00%	3,109,619	16,150,156
15	Bristol Bay	625.52	2,467,051	860,657	240,580	63.32%	137,102	1,469,292
16	Chatham	739.28	2,915,720	-	651,576	100.00%	586,418	2,329,302
17	Chugach	308.98	1,218,617	-	125,211	100.00%	112,690	1,105,927
18	Copper River	1,466.42	5,783,560	-	80,580	100.00%	72,522	5,711,038
19	Cordova	906.71	3,576,064	674,600	19,032	62.22%	10,658	2,890,806
20	Craig	750.56	2,960,209	367,686	16,690	58.00%	8,712	2,583,811
21	Delta/Greely	1,528.60	6,028,798	-	896,178	100.00%	806,560	5,222,238
22	Denali	797.41	3,144,985	459,758	27,613	45.72%	11,362	2,673,865
23	Dillingham	1,180.13	4,654,433	608,522	335,087	53.26%	160,621	3,885,290
24	Fairbanks	23,044.93	90,889,204	17,779,142	6,593,515	63.43%	3,764,040	69,346,022
25	Galena	1,348.89	5,320,022	70,412	314,774	10.68%	30,256	5,219,354
26	Haines	808.22	3,187,620	674,832	18,985	61.43%	10,496	2,502,292
27	Hoonah	544.00	2,145,536	98,904	238,998	18.67%	40,159	2,006,473
28	Hydaburg	276.40	1,090,122	23,809	17,039	17.83%	2,734	1,063,579
29	Iditarod	1,366.66	5,390,107	-	580,708	100.00%	522,637	4,867,470
30	Juneau	7,909.01	31,193,135	9,380,326	16,954	62.34%	9,512	21,803,297
31	Kake	389.04	1,534,374	69,431	281,923	22.77%	57,774	1,407,169
32	Kashunamiut	610.44	2,407,575	-	271,573	100.00%	244,416	2,163,159
33	Kenai Peninsula	15,496.06	61,116,461	15,751,444	83,078	55.90%	41,797	45,323,220
34	Ketchikan	3,922.18	15,469,078	4,552,513	8,986	61.13%	4,944	10,911,621
35	Klawock	356.84	1,407,377	62,627	274,629	43.02%	106,331	1,238,419
36	Kodiak Island	4,701.00	18,540,744	3,588,780	1,081,508	63.10%	614,188	14,337,776
37	Kuspuk	1,548.49	6,107,245	-	555,694	100.00%	500,125	5,607,120
38	Lake & Peninsula	1,814.67	7,157,058	268,776	1,028,381	21.99%	203,527	6,684,755
39	Lower Kuskokwim	9,151.52	36,093,595	-	4,612,365	100.00%	4,151,129	31,942,466
40	Lower Yukon	4,359.66	17,194,499	-	3,277,339	100.00%	2,949,605	14,244,894
41	Mat-Su	17,767.57	70,075,296	9,922,903	14,639	44.67%	5,885	60,146,508
42	Nenana	365.60	1,441,926	66,958	2,926	88.79%	2,338	1,372,620
43	Nome	1,519.47	5,992,790	626,146	43,424	39.93%	15,605	5,351,039
44	North Slope	4,765.23	18,794,067	18,794,067	2,648,619	67.97%	1,620,240	-
45	Northwest Arctic	5,514.38	21,748,715	1,484,493	2,240,789	55.66%	1,122,501	19,141,721
46	Pelican	104.83	413,450	53,374	-	85.72%	-	360,076
47	Palmarisburg	1,207.10	4,760,802	947,600	15,861	51.70%	7,380	3,805,822
48	Pribilof	514.24	2,028,163	-	372,418	100.00%	335,176	1,692,987
49	Sitka	2,511.72	9,906,224	2,500,230	158,779	59.17%	84,555	7,321,439
50	Skagway	264.31	1,042,439	559,358	-	74.36%	-	483,081
51	Southeast Island	685.04	2,701,798	-	460,952	100.00%	414,857	2,286,941
52	Southwest Region	1,974.82	7,788,690	-	1,076,436	100.00%	968,792	6,819,898
53	St. Mary's	300.05	1,183,397	17,993	122,527	44.98%	49,601	1,115,803
54	Tanana	304.62	1,201,421	23,286	178,213	18.48%	29,640	1,148,495
55	Unalaska	801.90	3,162,694	1,511,123	363	89.05%	291	1,651,280
56	Valdez	1,475.96	5,821,186	3,774,555	43,787	100.00%	39,408	2,007,223
57	Wrangell	880.27	3,471,785	651,476	1,812	47.88%	781	2,819,528
58	Yakutat	360.16	1,420,471	144,356	39,086	30.57%	10,754	1,265,361
59	Yukon Flats	1,460.14	5,758,792	-	631,979	100.00%	568,781	5,190,011
60	Yukon/Koyukuk	1,699.66	6,703,459	-	1,000,006	100.00%	900,005	5,803,454
61	Yupik	1,065.28	4,201,464	-	864,985	100.00%	778,487	3,422,977
62	ACS	1,077.95	4,251,435	-	-	100.00%	-	4,251,435
63	Mt. Edgecumbe	456.50	1,800,436	-	-	100.00%	-	1,800,436
64	Other							26,096,071
66	TOTALS:	207,188.59	\$817,151,799	\$152,564,798	\$45,299,784		\$31,342,469	\$660,960,843

	A	B	D	G
1	Alaska Department of Education			
2	Foundation Program; CSSB 36(FIN) am			
3	Required Local Effort Calculation			
4	March 25, 1998			
5	FY01	G X .004		
6		Required		
7		Local	Mill Rate	1997 Full
8	School District:	Effort:	0.004	Determination:
9	Alaska Gateway	-	-	-
10	Aleutian Region	-	-	-
11	Aleutians East	365,761	365,761	91,440,300
12	Anchorage	55,828,890	55,828,890	13,957,222,570
13	Annette Island	-	-	-
14	Bering Strait	-	-	-
15	Bristol Bay	860,657	860,657	215,164,218
16	Chatham	-	-	-
17	Chugach	-	-	-
18	Copper River	-	-	-
19	Cordova	674,600	674,600	168,650,100
20	Craig	367,686	367,686	91,921,400
21	Delta/Greely	-	-	-
22	Denali	459,758	459,758	114,939,500
23	Dillingham	608,522	608,522	152,130,600
24	Fairbanks	17,779,142	17,779,142	4,444,785,400
25	Galena	70,412	70,412	17,603,000
26	Haines	674,832	674,832	168,708,000
27	Hoonah	98,904	98,904	24,725,900
28	Hydaburg	23,809	23,809	5,952,200
29	Iditarod	-	-	-
30	Juneau	9,380,326	9,380,326	2,345,081,400
31	Kake	69,431	69,431	17,357,800
32	Kashunamiut	-	-	-
33	Kenai Peninsula	15,751,444	15,751,444	3,937,860,920
34	Ketchikan	4,552,513	4,552,513	1,138,128,200
35	Klawock	62,627	62,627	15,656,700
36	Kodiak Island	3,588,780	3,588,780	897,194,900
37	Kuspuk	-	-	-
38	Lake & Peninsula	268,776	268,776	67,193,900
39	Lower Kuskokwim	-	-	-
40	Lower Yukon	-	-	-
41	Mat-Su	9,922,903	9,922,903	2,480,725,840
42	Nenana	66,968	66,968	16,742,100
43	Nome	626,146	626,146	156,536,400
44	North Slope	18,794,067	18,794,067	11,749,014,490
45	Northwest Arctic	1,484,493	1,484,493	371,123,200
46	Pelican	53,374	53,374	13,343,500
47	Petersburg	947,600	947,600	236,900,000
48	Pribilof	-	-	-
49	Sitka	2,500,230	2,500,230	625,057,600
50	Skagway	559,358	559,358	139,839,400
51	Southeast Island	-	-	-
52	Southwest Region	-	-	-
53	St. Mary's	17,993	17,993	4,498,200
54	Tanana	23,286	23,286	5,821,600
55	Unalaska	1,511,123	1,511,123	377,780,800
56	Valdez	3,774,555	3,774,555	943,638,760
57	Wrangell	651,476	651,476	162,869,100
58	Yakutat	144,356	144,356	36,089,000
59	Yukon Flats	-	-	-
60	Yukon/Koyukuk	-	-	-
61	Yupik	-	-	-
62	ACS	-	-	-
63	Mt. Edgecumbe	-	-	-
64	Other	-	-	-
65				
66	TOTAL:	\$152,564,798	\$152,564,798	\$45,191,696,998

	B	D	E	F	G	H	I
1	Alaska Department of Education						
2	Foundation Program; CSSB 36(FIN) am						
3	Transition Calculation						
4	March 25, 1998						
5	FY01				E + F		G - H
6				Additional	Foundation	SB36	
7		Mill	Total	District	Plus	State	
8	School District:	Rate:	Foundation:	Support:	Single Site:	Aid:	Difference:
9	Alaska Gateway	4.000	4,988,882		4,988,882	4,442,779	546,103
10	Aleutian Region	4.000	1,176,499	117,730	1,294,229	1,111,105	183,124
11	Aleutians East	7.700	3,514,644		3,514,644	3,272,968	241,676
12	Anchorage	6.500	188,038,815		188,038,815	200,217,201	(12,178,386)
13	Annette Island	4.000	1,569,188	161,650	1,730,838	1,871,773	(140,935)
14	Bering Strait	4.000	17,449,778		17,449,778	16,150,156	1,299,622
15	Bristol Bay	6.200	1,654,521		1,654,521	1,469,292	185,229
16	Chatham	4.000	2,337,557		2,337,557	2,329,302	8,255
17	Chugach	4.000	1,515,697		1,515,697	1,105,927	409,770
18	Copper River	4.000	6,225,778		6,225,778	5,711,038	514,740
19	Cordova	6.400	2,702,072	166,530	2,868,602	2,890,806	(22,204)
20	Craig	6.600	2,322,242	179,950	2,502,192	2,583,811	(81,619)
21	Delta/Greely	4.000	4,790,289		4,790,289	5,222,238	(431,949)
22	Denali	8.700	2,334,400		2,659,400	2,673,865	(14,465)
23	Dillingham	7.000	3,757,667	220,200	3,977,867	3,885,230	92,577
24	Fairbanks	6.600	64,607,118		64,607,118	69,346,022	(4,738,904)
25	Galena	34.600	6,649,592		6,649,592	5,219,354	1,430,238
26	Haines	6.600	2,141,412		2,141,412	2,502,292	(360,880)
27	Hoonah	21.600	1,918,467	126,270	2,044,737	2,006,473	38,264
28	Hydaburg	6.400	1,083,657	107,970	1,191,627	1,063,579	128,048
29	Iditarod	4.000	5,278,870		5,278,870	4,867,470	411,400
30	Juneau	6.400	20,166,492		20,166,492	21,803,297	(1,636,805)
31	Kake	9.800	1,325,815	140,910	1,466,725	1,407,169	59,556
32	Kashunamiut	4.000	2,235,575	159,820	2,395,395	2,163,159	232,236
33	Kenai Peninsula	7.200	42,073,799		42,073,799	45,323,220	(3,249,421)
34	Ketchikan	6.500	8,752,133		8,752,133	10,911,621	(2,159,488)
35	Klawock	5.500	1,427,412	153,110	1,580,522	1,238,419	342,103
36	Kodiak Island	6.300	13,876,822		13,876,822	14,337,776	(460,954)
37	Kuspuk	4.000	5,513,829		5,513,829	5,607,120	(93,291)
38	Lake & Peninsula	17.900	6,743,387		6,743,387	6,684,755	58,632
39	Lower Kuskokwim	4.000	38,671,330		38,671,330	31,942,466	6,728,864
40	Lower Yukon	4.000	14,928,605		14,928,605	14,244,894	683,711
41	Mat-Su	8.900	58,161,852		58,161,852	60,146,508	(1,984,656)
42	Nenana	4.200	1,735,074	181,780	1,916,854	1,372,620	544,234
43	Nome	8.400	5,181,309	285,470	5,466,779	5,351,039	115,740
44	North Slope	2.300	11,686,868		11,686,868	-	11,686,868
45	Northwest Arctic	6.200	18,530,116		18,530,116	19,141,721	(611,605)
46	Pelican	4.700	556,016	49,410	605,426	360,076	245,350
47	Petersburg	7.800	3,173,500	211,660	3,385,160	3,805,822	(420,662)
48	Pribilof	4.000	1,883,539		1,883,539	1,692,987	190,552
49	Sitka	6.800	6,142,485		6,142,485	7,321,439	(1,178,954)
50	Skagway	5.400	683,840	112,850	796,690	483,081	313,609
51	Southeast Island	4.000	2,765,941		2,765,941	2,286,941	479,000
52	Southwest Region	4.000	7,597,531		7,597,531	6,819,898	777,633
53	St. Mary's	8.900	1,414,706	140,910	1,555,616	1,115,803	439,813
54	Tanana	23.700	1,253,694	127,490	1,381,184	1,148,495	232,689
55	Unalaska	4.500	1,913,136	198,250	2,111,386	1,651,280	460,106
56	Valdez	3.900	3,404,758	265,960	3,670,718	2,007,223	1,663,495
57	Wrangell	8.200	2,312,953	196,420	2,509,373	2,819,528	(310,155)
58	Yakutat	12.400	1,429,670		1,429,670	1,265,361	164,309
59	Yukon Flats	4.000	6,158,915		6,158,915	5,190,011	968,904
60	Yukon/Koyukuk	4.000	6,788,379		6,788,379	5,803,454	984,925
61	Yupik	4.000	4,250,129		4,250,129	3,422,977	827,152
62	ACS	4.000	3,996,324		3,996,324	4,251,435	(255,111)
63	Mt. Edgecumbe	4.000	1,717,150		1,717,150	1,800,436	(83,286)
64	Other		26,096,071		26,096,071	26,096,071	-
65							
66			\$660,931,300	\$3,304,340	\$664,235,640	\$660,960,843	\$3,274,797

	A	B	C	D	E	F	G	H
1	Alaska Department of Education							
2	Foundation Program; CSSB 36(FIN) am							
3	Required Local Effort & Maximum							
4	March 25, 1998							
5	FY01		B + C		B - E		E - D	D - E
6			23% or		Tax & In-kind			
7			2 Mills		FY98		Amount	Room
8	School District:	Required Effort	Allowable Excess	Maximum Local	Budgeted Local	Amount to Meet Req.	Over Excess	Under Local Cap
9	Alaska Gateway	-	1,100,609	1,100,609	-	-	-	-
10	Aleutian Region	-	267,355	267,355	-	-	-	-
11	Aleutians East	365,761	891,019	1,256,780	708,000	-	-	548,780
12	Anchorage	55,828,890	59,942,553	115,771,443	87,682,805	-	-	28,088,638
13	Annette Island	-	640,889	640,889	-	-	-	-
14	Bering Strait	-	4,429,748	4,429,748	-	-	-	-
15	Bristol Bay	860,657	567,422	1,428,079	1,324,152	-	-	103,927
16	Chatham	-	670,616	670,616	-	-	-	-
17	Chugach	-	280,282	280,282	-	-	-	-
18	Copper River	-	1,330,219	1,330,219	-	-	-	-
19	Cordova	674,600	822,495	1,497,095	1,052,000	-	-	445,095
20	Craig	367,686	680,848	1,048,534	584,728	-	-	463,806
21	Delta/Greely	-	1,386,624	1,386,624	-	-	-	-
22	Denali	459,758	723,347	1,183,105	981,736	-	-	201,369
23	Dillingham	608,522	1,070,520	1,679,042	942,500	-	-	736,542
24	Fairbanks	17,779,142	20,904,517	38,683,659	27,680,000	-	-	11,003,659
25	Galena	70,412	1,223,605	1,294,017	556,517	-	-	737,490
26	Haines	674,832	733,153	1,407,985	1,080,455	-	-	327,530
27	Hoonah	98,904	493,473	592,377	454,727	-	-	137,650
28	Hydaburg	23,809	250,728	274,537	34,000	-	-	240,537
29	Iditarod	-	1,239,725	1,239,725	-	-	-	-
30	Juneau	9,380,326	7,174,421	16,554,747	14,953,000	-	-	1,601,747
31	Kake	69,431	352,906	422,337	150,000	-	-	272,337
32	Kashunamiut	-	553,742	553,742	-	-	-	-
33	Kenai Peninsula	15,751,444	14,056,786	29,808,230	28,095,197	-	-	1,713,033
34	Ketchikan	4,552,513	3,557,888	8,110,401	7,358,058	-	-	752,343
35	Klawock	62,627	323,697	386,324	51,125	11,502	-	335,199
36	Kodiak Island	3,588,780	4,264,371	7,853,151	5,603,980	-	-	2,249,171
37	Kuspuk	-	1,404,666	1,404,666	-	-	-	-
38	Lake & Peninsula	268,776	1,646,123	1,914,899	1,026,500	-	-	888,399
39	Lower Kuskokwim	-	8,301,527	8,301,527	-	-	-	-
40	Lower Yukon	-	3,954,735	3,954,735	-	-	-	-
41	Mat-Su	9,922,903	16,117,318	26,040,221	22,139,480	-	-	3,900,741
42	Nenana	66,968	331,643	398,611	66,120	848	-	332,491
43	Nome	626,146	1,378,342	2,004,488	1,251,731	-	-	752,757
44	North Slope	18,794,067	23,498,029	42,292,096	27,600,068	-	-	14,692,028
45	Northwest Arctic	1,484,493	5,002,204	6,486,697	1,984,920	-	-	4,501,777
46	Pelican	53,374	95,094	148,468	62,266	-	-	86,202
47	Petersburg	947,600	1,094,984	2,042,584	1,807,361	-	-	235,223
48	Pribilof	-	466,477	466,477	-	-	-	-
49	Sitka	2,500,230	2,278,432	4,778,662	4,210,656	-	-	568,006
50	Skagway	559,358	279,679	839,037	746,690	-	-	92,347
51	Southeast Island	-	621,414	621,414	-	-	-	-
52	Southwest Region	-	1,791,399	1,791,399	-	-	-	-
53	St. Mary's	17,993	272,181	290,174	25,000	-	-	265,174
54	Tanana	23,286	276,327	299,613	115,000	-	-	184,613
55	Unalaska	1,511,123	755,562	2,266,685	1,660,932	-	-	605,753
56	Valdez	3,774,555	1,887,278	5,661,833	3,579,727	194,828	-	2,082,106
57	Wrangell	651,476	798,511	1,449,987	1,329,000	-	-	120,987
58	Yakutat	144,356	326,708	471,064	432,150	-	-	38,914
59	Yukon Flats	-	1,324,522	1,324,522	-	-	-	-
60	Yukon/Koyukuk	-	1,541,796	1,541,796	-	-	-	-
61	Yupik	-	966,337	966,337	-	-	-	-
62	ACS							
63	Mt. Edgecumbe							
64	<b>TOTALS</b>	\$152,564,798	\$206,344,846	\$358,909,644	\$247,330,591	\$207,178	\$0	\$79,306,371

	A	B	C	D	E	F
1	Alaska Department of Education					
2	Foundation Program; CSSB 36(FIN) am					
3	Page 9, Sec. 14.17.530 - Administrative Cap					
4	March 25, 1998					
5						
6	FY01					
7		Total FY98	Instructional	Total Expend. @	Reduction in	% of Instruc.
8		Budgeted Expenditures	Expenditures	70%	State Aid	to Total Exp.
9	Alaska Gateway	6,375,467	3,816,771	4,462,827	646,056	60%
10	Aleutian Region	1,227,397	613,635	859,178	245,543	50%
11	Aleutians East	5,353,492	2,669,533	3,747,444	1,077,911	50%
12	Anchorage	285,848,000	209,541,815	200,093,600	0	73%
13	Annette Island	4,079,627	2,552,321	2,855,739	303,419	63%
14	Bering Strait	24,031,447	12,940,000	16,822,013	3,881,953	54%
15	Bristol Bay	3,451,754	2,126,224	2,416,228	290,004	62%
16	Chatham	3,700,057	2,645,572	2,590,040	0	72%
17	Chugach	1,639,001	880,501	1,147,301	266,800	54%
18	Copper River	6,245,467	4,119,378	4,371,827	252,449	66%
19	Cordova	4,028,281	2,529,566	2,819,797	290,231	63%
20	Craig	3,332,138	2,200,915	2,332,497	131,582	66%
21	Delta/Greely	6,238,396	3,623,963	4,367,577	743,614	58%
22	Denali	3,826,030	2,350,417	2,678,221	327,804	61%
23	Dillingham	5,369,398	3,643,045	3,758,579	115,534	68%
24	Fairbanks	105,010,000	75,832,355	73,507,000	0	72%
25	Galena	4,137,563	2,109,716	2,896,294	786,578	51%
26	Haines	3,576,694	2,392,495	2,503,686	111,191	67%
27	Hoonah	3,555,793	1,896,929	2,489,055	592,126	53%
28	Hydaburg	1,319,025	676,132	923,318	247,186	51%
29	Ilditarod	5,825,818	3,108,638	4,078,073	969,235	53%
30	Juneau	35,823,100	26,387,712	25,076,170	0	74%
31	Kake	2,179,381	1,171,595	1,525,567	353,972	54%
32	Kashunamiut	2,754,440	1,415,373	1,928,108	512,735	51%
33	Kenai Peninsula	72,077,053	50,062,456	50,453,937	391,481	69%
34	Ketchikan	16,152,612	11,204,219	11,306,828	102,609	69%
35	Klawock	2,276,154	1,442,696	1,593,308	150,612	63%
36	Kodiak Island	22,289,424	15,074,760	15,602,597	527,837	68%
37	Kuspuk	6,208,037	3,779,987	4,345,626	565,639	61%
38	Lake & Peninsula	9,315,700	4,519,660	6,520,990	2,001,310	49%
39	Lower Kuskokwim	45,485,933	28,968,961	31,840,153	2,871,132	64%
40	Lower Yukon	19,896,016	11,997,659	13,927,211	1,929,552	60%
41	Mat-Su	80,993,413	59,111,447	56,695,389	0	73%
42	Nenana	1,732,845	1,005,643	1,212,992	207,349	58%
43	Nome	7,013,644	4,077,703	4,909,551	831,768	58%
44	North Slope	43,150,068	20,680,500	30,205,048	9,524,548	48%
45	Northwest Arctic	23,012,977	11,993,882	16,109,084	4,115,202	52%
46	Pelican	630,278	330,120	441,195	111,075	52%
47	Petersburg	5,296,650	3,595,918	3,707,655	111,737	68%
48	Pribilof	2,748,600	1,547,494	1,924,020	376,526	56%
49	Sitka	11,027,597	8,303,056	7,719,318	0	75%
50	Skagway	1,162,002	838,321	1,023,401	185,080	57%
51	Southeast Island	4,046,750	2,615,282	2,832,725	217,443	65%
52	Southwest Region	9,649,489	5,837,056	6,754,642	917,586	60%
53	St. Mary's	1,400,000	805,900	980,000	174,100	58%
54	Tanana	1,546,500	610,600	1,082,550	471,950	39%
55	Unalaska	3,742,611	2,381,430	2,619,828	238,398	64%
56	Valdez	7,660,728	5,324,180	5,376,510	52,330	69%
57	Wrangell	3,878,101	2,602,696	2,714,671	111,975	67%
58	Yakutat	2,051,851	1,361,996	1,436,296	74,300	66%
59	Yukon Flats	7,166,115	3,844,576	5,016,281	1,171,375	54%
60	Yukon/Koyukuk	7,985,386	5,181,130	5,589,770	408,640	65%
61	Yupik	5,503,370	2,779,670	3,852,359	1,072,689	51%
62						
63	TOTALS:	954,348,670	\$643,524,288	\$668,044,069	\$41,060,221	

# FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB 36(FIN) am

1998 LEGISLATIVE SESSION

Revision Date: March 25, 1998

Department Affected: Education

Title: An Act relating to transportation of public school students; relating to school construction grants; etc.

BRIJ: K-12 Support

Sponsor: Senator Phillips

Component: Pupil Transportation

Requester: House HESS

COMPONENT SERIAL NO. 144

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>\$1,461.5</b>	<b>\$1,505.3</b>	<b>\$1,550.5</b>	<b>\$1,597.0</b>	<b>\$1,644.9</b>	<b>\$1,694.3</b>

<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>					
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<b>CHANGE IN REVENUES</b>	<b>0.0</b>					
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>\$1,461.5</b>	<b>\$1,505.3</b>	<b>\$1,550.5</b>	<b>\$1,597.0</b>	<b>\$1,644.9</b>	<b>\$1,694.3</b>

**POSITIONS:**

FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

Estimate of current year (FY98) impact: \$ 0

**ANALYSIS: (Attach a separate page if necessary.)**

The fiscal impact noted above is based on the assumption that Anchorage School District would be reimbursed for 90% of all costs associated with district-operated school transportation, including contract administration costs of approximately \$204,000, and 100% of costs associated with contracted to/from school transportation, but not including deducts from contracted transportation for hazardous or kindergarten routes. An inflation factor of 3% is assumed for FY00 through FY04.

Prepared by: Eddy Jeans, School Finance Director

Phone: 465-8687

Division: Education Support Services

Date: 3/25/98

Approved by Commissioner: Shirley J. Holloway, Ph. D.

*Shirley J. Holloway*

Agency: Department of Education

Date: 3/25/98

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## DEPARTMENT OF EDUCATION

### CSSB 36(FIN) am. Sec. 11 (Amended to 90%)

Anchorage S.D.---FY97 Statement of Operations

90% Reimbursement under proposed method (90% of total costs as stated on the district's transportation statement of operations for district-operated services: \$5,945,555)	\$5,350,999
Less: Reimbursement under current method (66.83% of total costs: \$5,945,555)	<u>(3,973,414)</u>
Difference Between Current and Proposed Method	<u>\$1,377,585</u>
FY98 3% increase	\$1,418,913
FY99 3% increase	\$1,461,480
FY00 3% increase	\$1,505,324
FY01 3% increase	\$1,550,484
FY02 3% increase	\$1,596,999
FY03 3% increase	\$1,644,909
FY04 3% increase	\$1,694,256

revised 3/25/98

file: .:\97-98Leg\Sb\_036\Sb36-90% rate-House HESS.doc

## Department of Education CSSB 36(FIN) am

Following is a list by page and line number of technical issues regarding CSSB 36(FIN) am.

1. The terms "state support" and "state share" are similar and therefore confusing. Recommended changes are as follows:
  - Page 2, line 9, delete [funding], insert "aid"
  - Page 2, line 14, delete [state share], insert "basic need"
  - Page 2, line 17, delete [state funding], insert "basic need"
  - Page 2, line 22, delete [share and a], insert "aid, the required"
  - Page 2, line 23, insert before determination, "and deductible Impact Aid"
  - Page 2, line 24, delete [state share], insert "state aid"
  - Page 2, line 24, delete [state support], insert "basic need"
  - Page 2, line 24, delete [a], insert "the required"
  - Page 2, line 25, delete [state support], insert "basic need"
  - Page 3, line 7, insert after, (2) the "required"Other sections of the bill may need to be amended for consistency.
2. Page 3, line ? – does not provide transitional language for newly formed boroughs. Current law provides a four year transition to the four mill required local effort.
3. Page 4, line 5 – should delete [ADM] and insert "intensive student count."
4. Page 4, lines 6 through 9 – requires districts to have on file with the department a plan of service for special education, gifted and talented education, vocational education, and bilingual education to qualify for the 20% special needs adjustment. Currently Aleutian Region, Hydaburg, Mt. Edgecumbe and Tanana do not have gifted and talented plans on file with DOE. Mt. Edgecumbe, Skagway and Southeast Island do not have bilingual education plans on file with DOE. Therefore, these districts will not qualify for the 20% special needs adjustment. This loss is not reflected in the department's spreadsheets.
5. Page 5, line 11 – school size table begins with 1 ADM. This is inconsistent with the transition language on page 21, line 15. The school size table is very aggressive in applying multipliers for adjusted ADM. Depending on the definition of "school" the table raises many issues.
6. Page 5, line ? – current foundation program has a three year hold harmless for school districts that experience a drop in enrollment of 10% or more from one year to the next. This proposed legislation does not contain a similar safety net.
7. Page 7, lines 16 through 20 – requires the department to adjust district cost factors by the Anchorage consumer price index and submit proposed district cost factors to the legislature every other year. The department contacted the McDowell Group for advice in meeting this requirement. McDowell Group stated the Anchorage CPI has no relationship to district cost factors and that inflationary adjustments should occur

**Department of Education**  
**CSSB 36(FIN) am**

elsewhere in this legislation. McDowell Group also indicated that DOE could not apply the same methodology they used in determining the proposed district cost factors in CS SB36. McDowell did not suggest an alternative methodology to determine district cost factors.

8. Page 9, line 2 – minimum expenditure for instruction. Most districts can not meet this requirement due to fixed costs to operate facilities. Only school districts with large student populations and larger schools can meet this requirement.
9. Page 9, line 30 - the definition of “instructional component” is incomplete.
10. Page 12, line 4 – need to include a definition of eligible Impact Aid. DOE is revising the definition of eligible Impact Aid to conform to the law following reauthorization.
11. Page 17, lines 6 through 12 – Funding for Special Education Service Agency (SESA). This section can not be applied as CS SB36 is currently written. The funding formula no longer requires special education students to be identified and does not make an allocation specific for special education.
12. Page 21, line 4 – subsection(b) requires department to define “school.” Current regulation 4 AAC 05.900(5) defines a school as a program of instruction. There is a lack of data to support a consistent definition of “school ” As the definition is clarified a significant reallocation of dollars will occur.
13. Page 21, lines 6 through 9 – Transition for proposed district cost factors. Requires the department to submit to the legislature proposed districts cost factors by January 15, 2001. As previously stated the McDowell Group has informed DOE that their methodology can not be used to update proposed district cost factors.
14. Page 21, lines 15 through 19 – Transition for small schools. Need to clarify intent with the school size table on page 5 and include appropriate language on page 5.
15. Page 21, lines 19 through 24 – Transition for minimum expenditure for instruction. As previously mentioned only school districts with large student populations and larger schools can meet this requirement.
16. Page 14, line 14 – removes the requirement to employ a chief school administrator. If districts hire a non-certified administrator to run the school district, the administrator would not be subject to the ethic requirements of the PTPC.



# ALASKA STATE LEGISLATURE

## SENATOR RANDY PHILLIPS SENATE DISTRICT L

**SESSION**  
State Capitol  
Juneau, AK 99801  
(907) 465-4949  
800-478-4950  
Fax: 465-4979

**INTERIM**  
P.O. Box 142  
Eagle River AK 99577  
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### Sponsor Statement SB 36

Alaska's public school foundation formula is broken and needs to be fixed this year. Alaska's five largest school districts serve almost 75% of Alaska's students. These five districts receive 57% of the state general fund support in the foundation program. The remaining school districts, which serve 25% of the school age students, receive 43% of the state aid for operating schools. At the same time, the five largest school districts contribute approximately 72% of the local tax revenue that goes to operate schools in Alaska. The current formula provides neither education equity for students nor taxpayer equity between school districts.

For the past ten years, state funding for public schools in Alaska has been distributed based on a formula that provides a disproportionate share of funding to small rural school districts at the expense of larger districts. The current formula makes size adjustments by gathering students into "instructional units" within "funding communities," and makes geographical cost adjustments based on household cost of living differences between school districts. Alaska is only one of seven states that use instructional units instead of a per student allocation. The Alaska School Operating Cost Study (McDowell Report) done for the Legislative Budget and Audit Committee found that the definition of funding communities is not consistent and that costs can better be compared at the school level. Senate Bill 36 adopts these changes.

There are two major components to the cost of providing a public school education that must be accounted for in any formula that seeks to provide equity in funding between school districts. Instructional costs (approximately 70% of spending), which consist primarily of teacher salaries, vary based on the size of individual schools. Administrative and non-personal services costs (such as supplies, books, utilities) vary based on the size of a district, the district's location, and the unique circumstances of that district.

Senate Bill 36 distributes school funding based on the actual costs of providing instruction to students and the actual current costs of operating school districts.

- Funding is allocated based on a per student rather than an instructional unit value. The public is better able to understand a per student than a unit value.
- Size adjustment in formula is based on individual schools instead of "funding communities." Funding communities under the current formula are not well defined, and a fair comparison of instructional costs can be made at the school level.
- Adjustments for geographical cost differences are based on a study (1998 McDowell) of the actual costs of operating school districts instead of household cost of living. (This is the first study of actual school operating costs done for the Legislature since statehood.)
- The required local contribution for municipal districts is set at four mils of assessed value or 100% of district state support. (current limit is 35%) Taxpayer equity is improved.
- Categorical funding is set at 20% of state support plus funding for intensive needs students. This will remove any incentive in the current formula to identify students as special ed in order to qualify for additional funding.

- Funding for statewide correspondence study programs offered by a district is set at .65 times ADM, the same as the state operated program. At least one school district has several times as many students enrolled in their statewide correspondence program than live in their district, this provision is intended to prevent districts from being in the business of providing programs to finance their operations.
- Provides reimbursement for district operated pupil transportation at 90% of actual cost. Currently districts that contract for their school buses are reimbursed 100% of their costs, Anchorage School District is reimbursed for only 66% of the costs of its district provided bussing.
- Districts are required to spend at least 70% of school funding on instructional costs. The Education Week "report card" earlier this year criticized Alaska for spending too much money on school administration and not enough on instruction. Overall in Alaska, approximately 70% of public school funding is spent on instruction, with some districts spending about 75% on instruction and some spending closer to 39%.

These changes to Alaska's public school foundation formula benefit school districts that serve 84% of Alaska's children. Following is an example of per student state aid under the current formula and under SB 36 for six school districts.

<u>School District</u>	<u>Current Formula</u>	<u>SB 36 Formula</u>
Aleutian Region S.D.	\$17,560/student	\$16,584/student
Ketchikan S.D.	\$3,219/student	\$4,105/student
Anchorage S.D.	\$3,931/student	\$4,178/student
Cordova S.D.	\$5,098/student	\$5,475/student
Galena S.D.	\$4,822/student	\$3,695/student
Lower Kuskokwim S.D.	\$10,618/student	\$8,615/student

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LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

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Mail Stop 3101

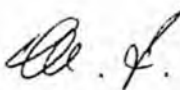
130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

## MEMORANDUM

March 19, 1998

**SUBJECT:** Sectional Summary of CSSB 36(FIN)am (version "R.a")

**TO:** Senator Randy Phillips  
Attn: Jerry Burnett

**FROM:** Michael F. Ford   
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Purpose section.

Section 2. Enacts new sections providing state funding for public schools.

Sec. 14.17.300 - Establishes the public school account and provides that money in the account can only be used for public schools, community school programs or centralized correspondence study.

Sec. 14.17.400 - Provides that state funding for a school district is the amount calculated under AS 14.17.410. Provides for a pro rata reduction in state funding if the amount appropriated is insufficient to meet the authorized amounts.

Sec. 14.17.410 - Establishes a formula for funding public schools. Under subsection (b) public school funding consists of a state share and a local contribution from city or borough school districts. Subsection (b)(1) is the state share and subsection (b)(2) is city or borough local contribution. Subsection (c) establishes an optional local contribution for city or borough school districts. Subsection (d) prohibits state funding for a city or borough school district that does not make the local contribution required under subsection(b)(2).

Sec. 14.17.420 - Provides state funding for special needs children and for intensive services.

Sec. 14.17.430 - Provides state funding for the state centralized correspondence study program, for district state-wide correspondence programs and for district-only correspondence study programs.

**Sectional Analysis**

Sec. 14.17.440 - Provides state funding for state boarding schools.

Sec. 14.17.450 - Establishes the school size factor for purposes of determining a school's public school funding.

Sec. 14.17.460 - Establishes a district cost factor for purposes of determining a district's adjusted ADM. Also requires the department to monitor the cost factors and provide proposed new factors to the legislature beginning January 15, 2001.

Sec. 14.17.470 - Establishes the base student allocation for purposes of determining a district's public school funding.

Sec. 14.17.500 - Requires certain student count data be reported to the department.

Sec. 14.17.505 - Establishes requirements concerning year-end fund balances for a school district. Establishes a penalty for violating this section.

Sec. 14.17.510 - Requires the Department of Community and Regional Affairs to determine the value of taxable real and personal property for purposes of calculating a city or borough school district's local contribution.

Sec. 14.17.520 - Imposes a minimum expenditure for instruction requirement on school districts.

Sec. 14.17.600 - Establishes student count reporting deadlines for school districts.

Sec. 14.17.610 - Establishes a payment schedule for state funding for school districts. Requires excess funding be returned to the state and provides for advance payments at the discretion of the commissioner.

Sec. 14.17.900 - Provides that AS 14.17 does not create a debt of the state. Requires each district to operate under a balanced budget. Provides for pro rata reduction of state funding.

Sec. 14.17.910 - Establishes requirements regarding receipt and expenditure of district public school funding.

Sec. 14.17.920 - Requires the department to adopt regulations to implement AS 14.17.

Sec. 14.17.990 - Definitions.

**Section 3.** Repeals a provision requiring a report be provided to the chief school administrator.

**Section 4.** Technical amendment.

**Section 5.** Technical amendment.

**Section 6.** Technical amendment.

**Section 7.** Technical amendment.

**Section 8.** Technical amendment.

**Section 9.** Provides that R.E.A.A.'s may employ a chief school administrator.

**Section 10.** Repeals a requirement that the an R.E.A.A. school board employ a chief school administrator.

**Section 11.** Requires school districts be reimbursed for student transportation system costs at certain percentages.

**Section 12.** Technical amendment.

**Section 13.** Technical amendment.

**Section 14.** Provides that a city or borough school district may employ a chief school administrator.

**Section 15.** Requires a chief school administrator to follow school board policy.

**Section 16.** Requires that employees hired by a chief school administrator are subject to school board approval.

**Section 17.** Repeals a requirement that state boarding schools hire a chief school administrator.

**Section 18.** Technical amendment.

**Section 19.** Technical amendment.

**Section 20.** Repeals a requirement that limited teacher certificates be requested through the chief school administrator.

**Section 21.** Amends a provision relating to chief school administrator approval of transfers of teachers.

**Section 22.** Amends a provision relating to intra district teacher assignments.

**Section 23.** Allows a district to implement a tenured teacher layoff plan if state funding decreases by three percent or more between fiscal years.

Senator Randy Phillips

March 19, 1998

Page 4

**Section 24.** Technical amendment.

**Section 25.** Provides that an exceptional child shall be transported with other children if the district provides transportation to other children in the district.

**Section 26.** Provides that if certain special education appropriations are insufficient, the allocation described in this section shall be reduced on a pro rata basis.

**Section 27.** Technical amendment.

**Section 28.** Technical amendment.

**Section 29.** Technical amendment.

**Section 30.** Technical amendment.

**Section 31.** Technical amendment.

**Section 32.** Provides that child care facility grants shall be adjusted by the same factor as school district funding under AS 14.17.460.

**Section 33.** Repealers.

**Section 34.** Establishes a two year transition period for public school funding.

**Section 35.** Provides that regulations adopted before the effective date of this Act remain in effect if consistent with the provisions of this Act. Requires the department to define by regulation, the term "school".

**Section 36.** Requires the initial proposed district cost factors be submitted to the department by January 15, 2001.

**Section 37.** Imposes a two year transition period for the base student allocation.

**Section 38.** Requires that certain small schools be included in the largest school in the district for purposes of calculating the school size factor under AS 14.17.450.

**Section 39.** Establishes a two year transition period for the minimum expenditure for instruction requirement imposed under AS 14.17.520.

**Section 40.** Effective date.

MFF:glc

98-180.glc

# FISCAL NOTE

... 3  
 Bill Version: CSB 36 (FIN)  
 (S) Publish Date: 3-10-98

STATE OF ALASKA  
 1998 LEGISLATIVE SESSION  
 Revision Date: March 4, 1998  
 Title: An Act relating to transportation of public school students; relating to school construction grants; etc.  
 Sponsor: Senator Phillips  
 Requester: Senate Finance

Department Affected: Education  
 BRU: K-12 Support  
 Component: Pupil Transportation

COMPONENT SERIAL NO. 144

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>\$1,461.5</b>	<b>\$1,505.3</b>	<b>\$1,550.5</b>	<b>\$1,597.0</b>	<b>\$1,644.9</b>	<b>\$1,694.3</b>

CAPITAL EXPENDITURES	0.0					
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CHANGE IN REVENUES	0.0					
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	\$1,461.5	\$1,505.3	\$1,550.5	\$1,597.0	\$1,644.9	\$1,694.3
1005 GF/Program Receipts						
1006 GF/MHTLA						
Other						
<b>TOTAL</b>	<b>\$1,461.5</b>	<b>\$1,505.3</b>	<b>\$1,550.5</b>	<b>\$1,597.0</b>	<b>\$1,644.9</b>	<b>\$1,694.3</b>

**POSITIONS:**

FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

Estimate of current year (FY98) impact: \$ 0

**ANALYSIS:** (Attach a separate page if necessary.)

The fiscal impact noted above is based on the assumption that Anchorage School District would be reimbursed for 90% of all costs associated with district-operated school transportation, including contract administration costs of approximately \$204,000, and 100% of costs associated with contracted to/from school transportation, but not including deducts from contracted transportation for hazardous or kindergarten routes. An inflation factor of 3% is assumed for FY00 through FY04.

Prepared by: Eddy Jeans, School Finance Director Phone: 465-8687  
 Division: Education Support Services Date: 3/4/98  
 Approved by Commissioner: Shirley J. Holloway, Ph. D. *Shirley J. Holloway*  
 Agency: Department of Education Date: 3/4/98

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DEPARTMENT OF EDUCATION

Senate Bill 36. Sec. 1 (Amended to 90%)

Anchorage S.D.---FY97 Statement of Operations

90% Reimbursement under proposed method \$5,350,999  
(90% of total costs as stated on the district's  
transportation statement of operations for  
district-operated services: \$5,945,555)

Less: Reimbursement under current method (3,973,414)  
(66.83% of total costs: \$5,945,555)

Difference Between Current and Proposed Method \$1,377,585

FY98 3% increase	\$1,418,913
FY99 3% increase	\$1,461,480
FY00 3% increase	\$1,505,324
FY01 3% increase	\$1,550,484
FY02 3% increase	\$1,596,999
FY03 3% increase	\$1,644,909
FY04 3% increase	\$1,694,256

Revision Date: <u>March 9, 1998</u>	Dept. Affected: <u>Revenue</u>
Title: <u>Public School Funding</u>	BRU: <u>Revenue Operations</u>
	Component: <u>Income and Excise Audit</u>
Sponsor: <u>Senator Phillips</u>	
Requestor: <u>Senate Finance</u>	COMPONENT SERIAL NO: <u>113</u>

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES (GF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1001 CBRF						
1048 University of AK receipts						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year cost: \$ 0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

SB 36 has been amended to delete provisions related to an employment tax. The proposed bill, in its current version, does not effect Department of Revenue tax programs or operating expenditures.

Prepared by: Brett Fried  
 Division: Income and Excise Audit  
 Approved by Commissioner: Wilson L. Condon  
 Agency: Revenue

Phone: (907) 465-3682  
 Date: March 9, 1998  
 Date: March 9, 1998

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FISCAL NOTE

No. 5

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

Bill Version: CSSB 36 (FIN)

(S) Publish Date: 3-10-98

Revision Date (Note if correction): \_\_\_\_\_  
 Title: Public School Funding  
 Sponsor: Senator Phillips  
 Requestor: Senate Finance

Department Affected: Labor  
 BRU: Office of the Commissioner  
 Component: Commissioner's Office  
 COMPONENT SERIAL NO. 340

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
---------	--	--	--	--	--	--

CHANGE IN REVENUE FUND SOURCE #						
------------------------------------	--	--	--	--	--	--

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY98) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

The Department of Labor does not anticipate any fiscal impact with the deletion of sections imposing a tax on wage and business income in the unorganized borough.

Prepared by: Arbe Williams, Director Phone: 465-2720  
 Division: Administrative Services Division Date: 3/9/98  
 Approved by Commissioner: Tom Cashen, Commissioner  
 Agency: Department of Labor Date: 3/9/98

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State Funding Per ADM Selected School Districts

School District	ADM	Existing State Aid	SB 36 State Aid	FY 98 Local Contrib	Existing plus \$50 million	SB 36 plus \$50 million
Alaska Gateway	522	\$ 9,577.00	\$ 8,511.00	\$ -	\$ 10,191.00	\$ 9,083.00
<b>Total</b>		\$ 4,999,194.00	\$ 4,442,742.00	\$ -	\$ 5,319,702.00	\$ 4,741,326.00
Alcution Region	67	\$ 17,560.00	\$ 16,584.00	\$ -	\$ 18,695.00	\$ 17,666.00
<b>Total</b>		\$ 1,176,520.00	\$ 1,111,128.00	\$ -	\$ 1,252,565.00	\$ 1,183,622.00
Anchorage	47832.75	\$ 3,931.00	\$ 4,178.00	\$ 1,910.00	\$ 4,255.00	\$ 4,517.00
<b>Total</b>		\$ 188,030,540.25	\$ 199,845,229.50	\$ 91,360,552.50	\$ 203,528,351.25	\$ 216,060,531.75
Delta/Grceely	834	\$ 5,813.00	\$ 6,415.00	\$ 59.00	\$ 6,237.00	\$ 6,877.00
<b>Total</b>		\$ 4,848,042.00	\$ 5,350,110.00	\$ 49,206.00	\$ 5,201,658.00	\$ 5,735,418.00
Fairbanks	16447.5	\$ 3,928.00	\$ 4,216.00	\$ 1,704.00	\$ 4,254.00	\$ 4,561.00
<b>Total</b>		\$ 64,605,780.00	\$ 69,342,660.00	\$ 28,026,540.00	\$ 69,967,665.00	\$ 75,017,047.50
Galena	1379	\$ 4,822.00	\$ 3,695.00	\$ 478.00	\$ 5,127.00	\$ 3,930.00
<b>Total</b>		\$ 6,649,538.00	\$ 5,095,405.00	\$ 659,162.00	\$ 7,070,133.00	\$ 5,419,470.00
Kenai	10341.96	\$ 4,068.00	\$ 4,382.00	\$ 2,725.00	\$ 4,417.00	\$ 4,751.00
<b>Total</b>		\$ 42,071,093.28	\$ 45,318,468.72	\$ 28,181,841.00	\$ 45,680,437.32	\$ 49,134,651.96
Ketchikan	2719	\$ 3,219.00	\$ 4,105.00	\$ 27,398.00	\$ 3,524.00	\$ 4,426.00
<b>Total</b>		\$ 8,752,461.00	\$ 11,161,495.00	\$ 74,495,162.00	\$ 9,581,756.00	\$ 12,034,294.00
Kodiak	2897	\$ 4,790.00	\$ 5,005.00	\$ 1,963.00	\$ 5,179.00	\$ 5,407.00
<b>Total</b>		\$ 13,876,630.00	\$ 14,499,485.00	\$ 5,686,811.00	\$ 15,003,563.00	\$ 15,664,079.00
Lower Kuskokwim	3642	\$ 10,618.00	\$ 8,615.00	\$ -	\$ 11,350.00	\$ 9,223.00
<b>Total</b>		\$ 38,670,756.00	\$ 31,375,830.00	\$ -	\$ 41,336,700.00	\$ 33,590,166.00
Mat-Su	12641	\$ 4,601.00	\$ 4,742.00	\$ 1,757.00	\$ 4,937.00	\$ 5,086.00
<b>Total</b>		\$ 58,161,241.00	\$ 59,943,622.00	\$ 22,210,237.00	\$ 62,408,617.00	\$ 64,292,126.00
North Slope	2037	\$ 5,737.00	\$ -	\$ 13,574.00	\$ 6,301.00	\$ -
<b>Total</b>		\$ 11,686,269.00	\$ -	\$ 27,650,238.00	\$ 12,835,137.00	\$ -
Petersburg	775	\$ 4,095.00	\$ 4,911.00	\$ 2,365.00	\$ 4,427.00	\$ 5,294.00
<b>Total</b>		\$ 3,173,625.00	\$ 3,806,025.00	\$ 1,832,875.00	\$ 3,430,925.00	\$ 4,102,850.00
Sitka	1750	\$ 3,510.00	\$ 4,184.00	\$ 2,415.00	\$ 3,821.00	\$ 4,537.00
<b>Total</b>		\$ 6,142,500.00	\$ 7,322,000.00	\$ 4,226,250.00	\$ 6,686,750.00	\$ 7,939,750.00
Skagway	130	\$ 5,260.00	\$ 3,716.00	\$ 5,786.00	\$ 5,772.00	\$ 4,216.00
<b>Total</b>		\$ 683,800.00	\$ 483,080.00	\$ 752,180.00	\$ 750,360.00	\$ 548,080.00
Tanana	113	\$ 11,095.00	\$ 9,652.00	\$ 1,115.00	\$ 11,815.00	\$ -
<b>Total</b>		\$ 1,253,735.00	\$ 1,090,676.00	\$ 125,995.00	\$ 1,335,095.00	\$ -
Wrangell	514	\$ 4,498.00	\$ 4,996.00	\$ 2,646.00	\$ 4,857.00	\$ 5,387.00
<b>Total</b>		\$ 2,311,972.00	\$ 2,567,944.00	\$ 1,360,044.00	\$ 2,496,498.00	\$ 2,768,918.00
Yukon Flats	444	\$ 13,871.00	\$ 12,190.00	\$ -	\$ 14,813.00	\$ 13,030.00
<b>Total</b>		\$ 6,158,724.00	\$ 5,412,360.00	\$ -	\$ 6,576,972.00	\$ 5,785,320.00

## McDowell Report

In 1997, the Legislature appropriated \$500,000 to the Legislative Budget and Audit Committee for a comparative study of state employee wages and benefits and for a study of the costs of operating a school based on school size and geographical location.

The Budget and Audit Committee appointed a subcommittee consisting of Rep. Hanley, Sen. Wilken, and Senator Phillips to prepare an RFP and contract with a consulting firm to produce a study of school operating costs. Staff worked with the Departments of Administration and Education and with other education professionals to write an RFP. This RFP was sent to education finance and economic consulting firms throughout the United States.

The Committee received proposals from three firms. These proposals were reviewed by Duane Guilley, former director of school finance for the State of Alaska, Janet Stokesbury, the finance officer for the Anchorage School District, Dave Tonkovich, staff economist for the division of Legislative Finance. Rick Cross of the Department of Education declined an invitation to review the proposals, expressing the concern that one of the proposers would see him as biased. All evaluators choose the McDowell Group's proposal as the most responsive to the Committee's RFP.

The contract was awarded for \$275,000. The McDowell Group performed its study during the period from November 1997 to mid-January 1998. After the draft study report was released, the McDowell Group worked with Legislators to convert the size adjustments into a formula and to refine geographical cost adjustments into a single District Cost Factor that can be used in legislation. These factors are contained in the final report on the Alaska School Operating Cost Study.

Important points from the study:

- **First statewide study of actual school costs in Alaska commissioned by the Legislature since statehood. Other studies were cost of living studies.**
- **Funding is adjusted for size at the school level instead of the funding community level.**
- **Teacher salaries do not vary from district to district because of cost of living differences.**
- **District level non-personal services and administrative costs vary widely between districts based on district size and location.**



# *Senate Bill 36*

A proposal to bring

**Simplicity & Fairness**

to the way Alaska funds its public  
schools



Since 1988, State of Alaska  
General Fund dollar  
support of the public  
school Foundation Formula  
has increased

54.3%.

(\$409 m to \$631 m)

In that same time, the  
number of public school  
students to be educated in  
Alaska

has increased

27.9%.

(101,142 to 129,426)

# SB 36

## Does Address

### (A) Simplicity

Per Student Dollar replaces an Instructional Unit.

### (B) Fair Share Contribution

Organized areas are put on an equal basis of funding for education.

### (C) Categorical Definition without verification

Districts are block granted for their local distribution.

\*\*\*\*\*

## Does Not Address

(A) Lack of funding participation by Unorganized Areas

# Simplicity

**“Per Student Dollar”  
replaces an  
“Instructional Unit”**

# The New Foundation Formula

SB 36

Annual Commitment of Student Dollar

X

Actual Number of Students\*

+

Developmentally Disabled Dollars

-

Local Required Support

=

***STATE FOUNDATION SUPPORT***

[\*Number of Students adjusted for: (1) Size and location of school  
& (2) Foundation support for special education needs]

**Local Required**  
**Participation**  
**(organized)**

# REQUIRED LOCAL CONTRIBUTION

## Current

4 mills of property value

or

\* 35% of prior year's State support

---

## Proposed

4 mills of property value

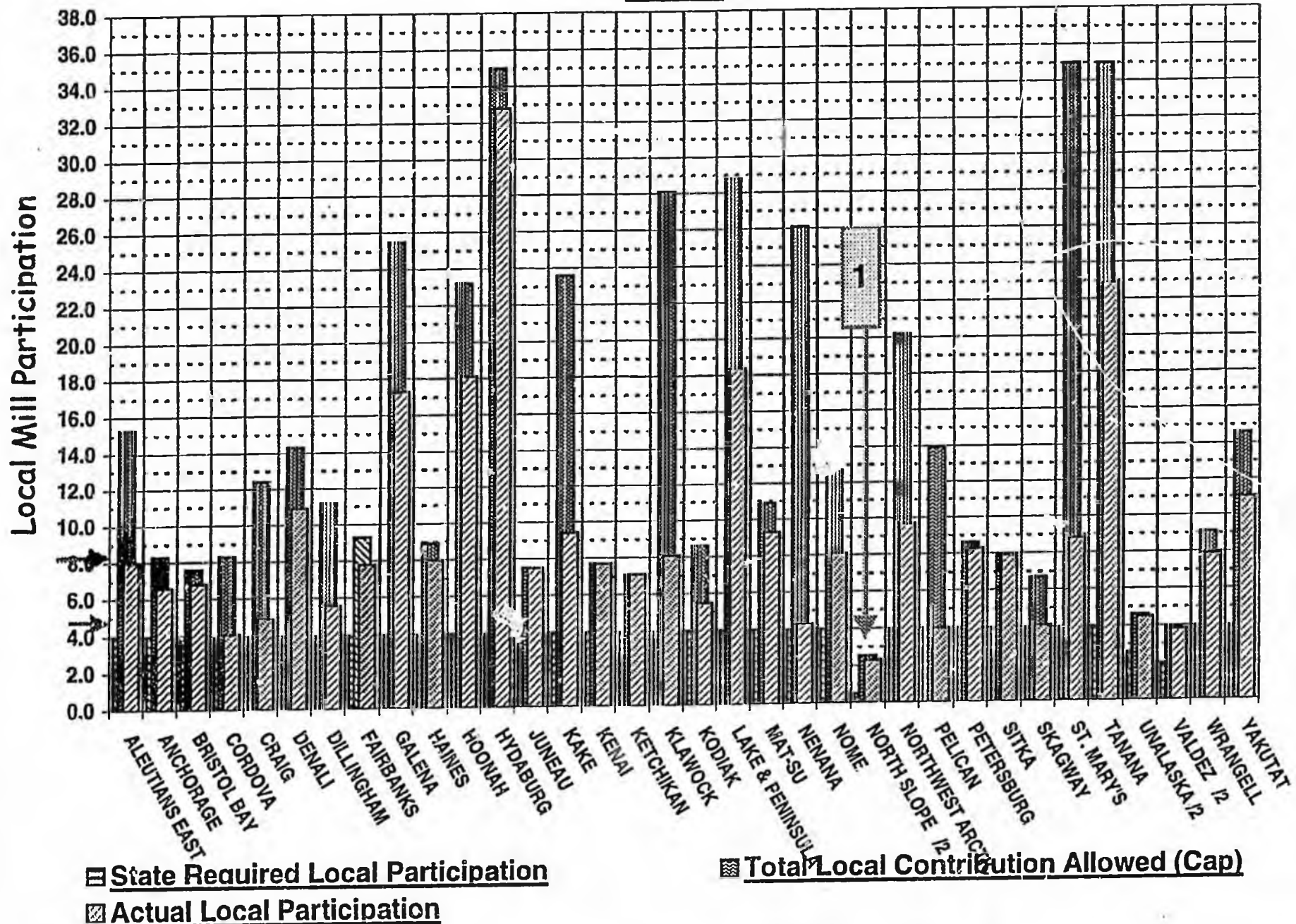
or

\* 100% of local education requirement

APPLIES to ORGANIZED AREAS of ALASKA ONLY

# Local Funding Participation by School District

1996



# FAIR SHARE

DEFINED BY:

EQUAL FUNDING PARTICIPATION BY ALL DISTRICTS

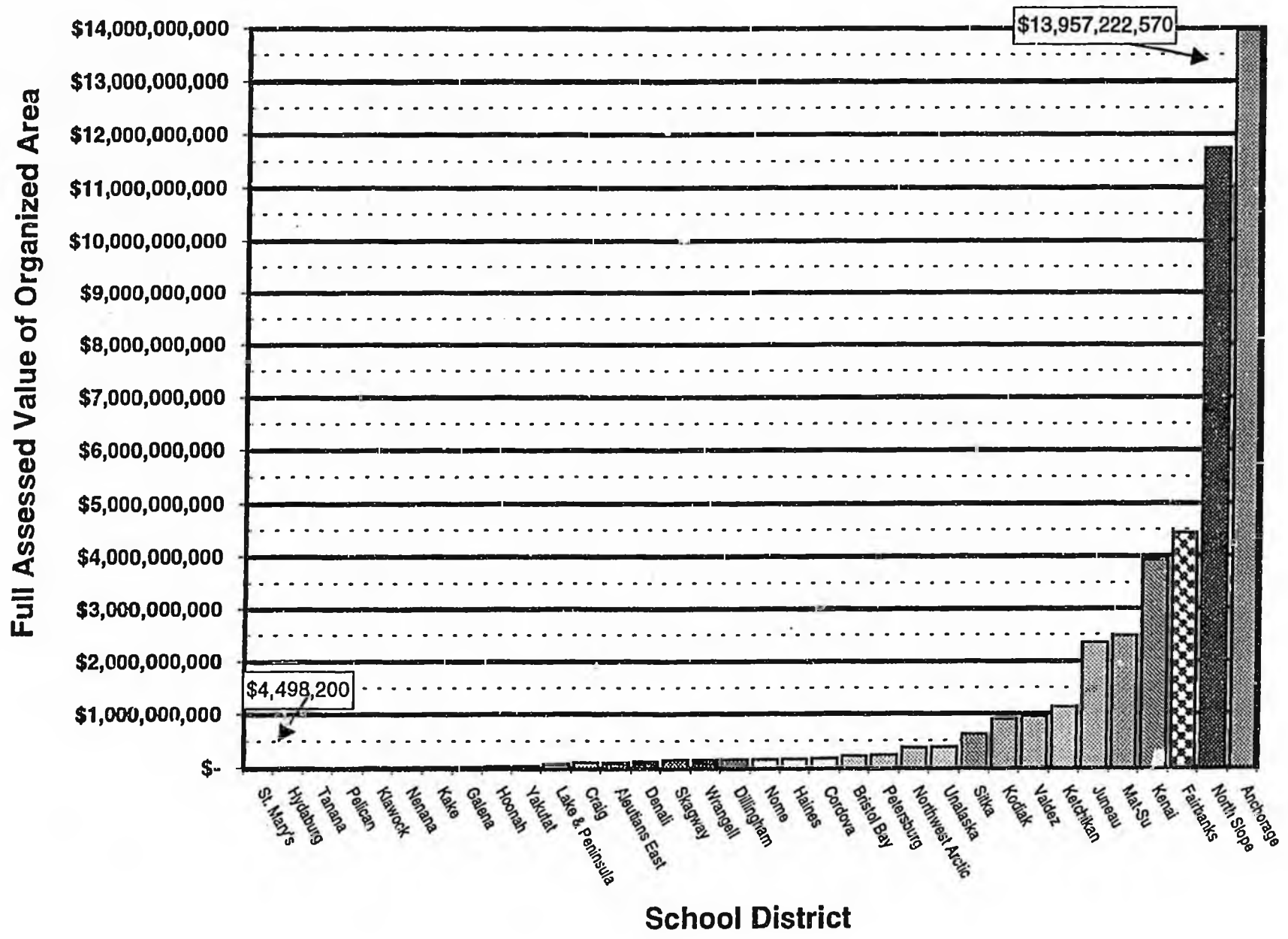
BASED ON:

ASSESSED VALUE OF ORGANIZED AREA

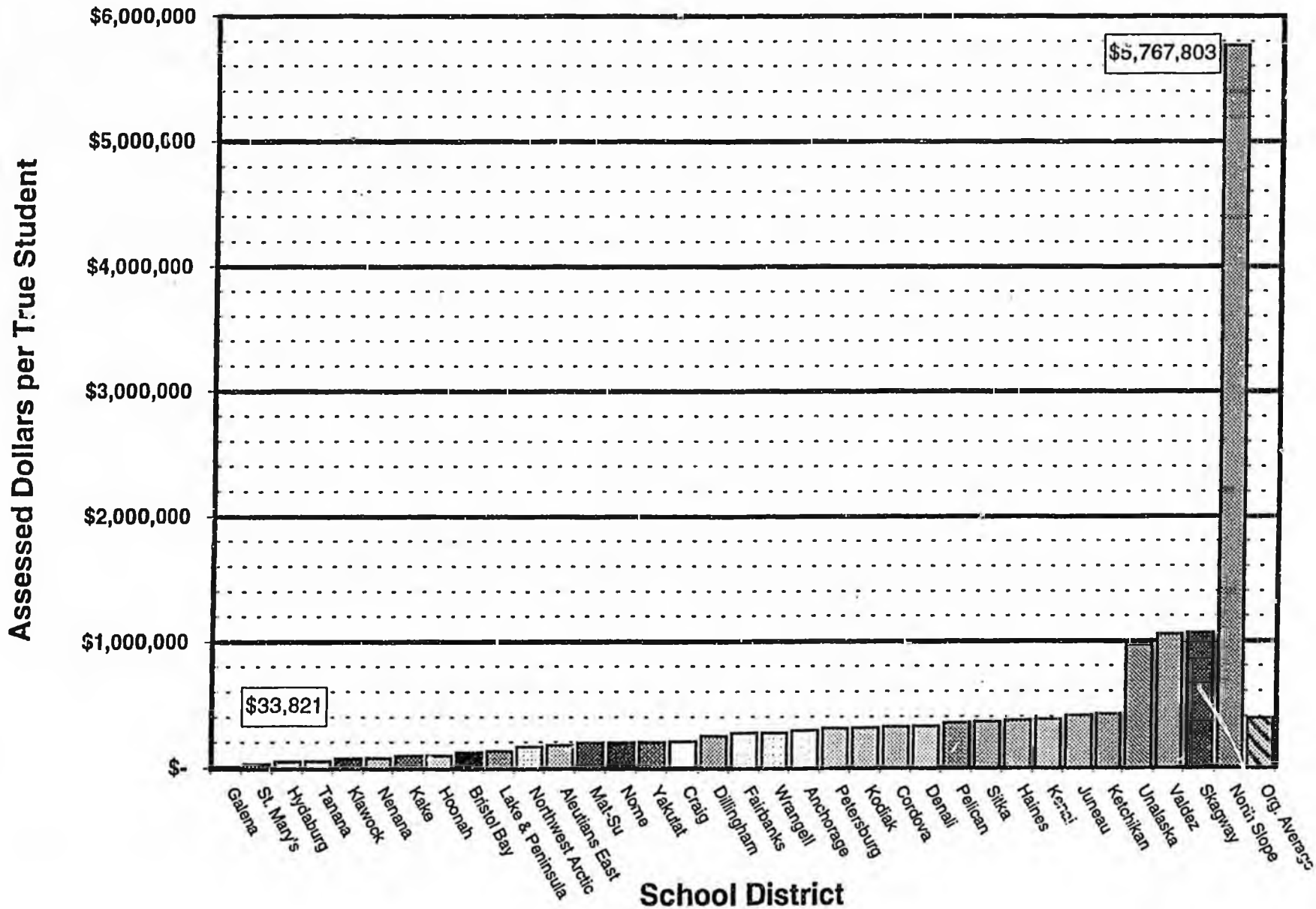
## WHY ASSESSED VALUE?

- 1) "ARMS LENGTH" RELATIVE EVALUATION OF THE WEALTH OR LACK OF WEALTH OF A COMMUNITY.
- 2) VALIDATED BY AN OBJECTIVE CIVIC AND JUDICIAL APPEAL PROCESS AT NO COST TO THE STATE.
- 3) READILY AVAILABLE FROM ORGANIZED GOVERNMENTS.
- 4) INCREASES / DECREASES ANNUALLY.

# Full Assessed Value 1997

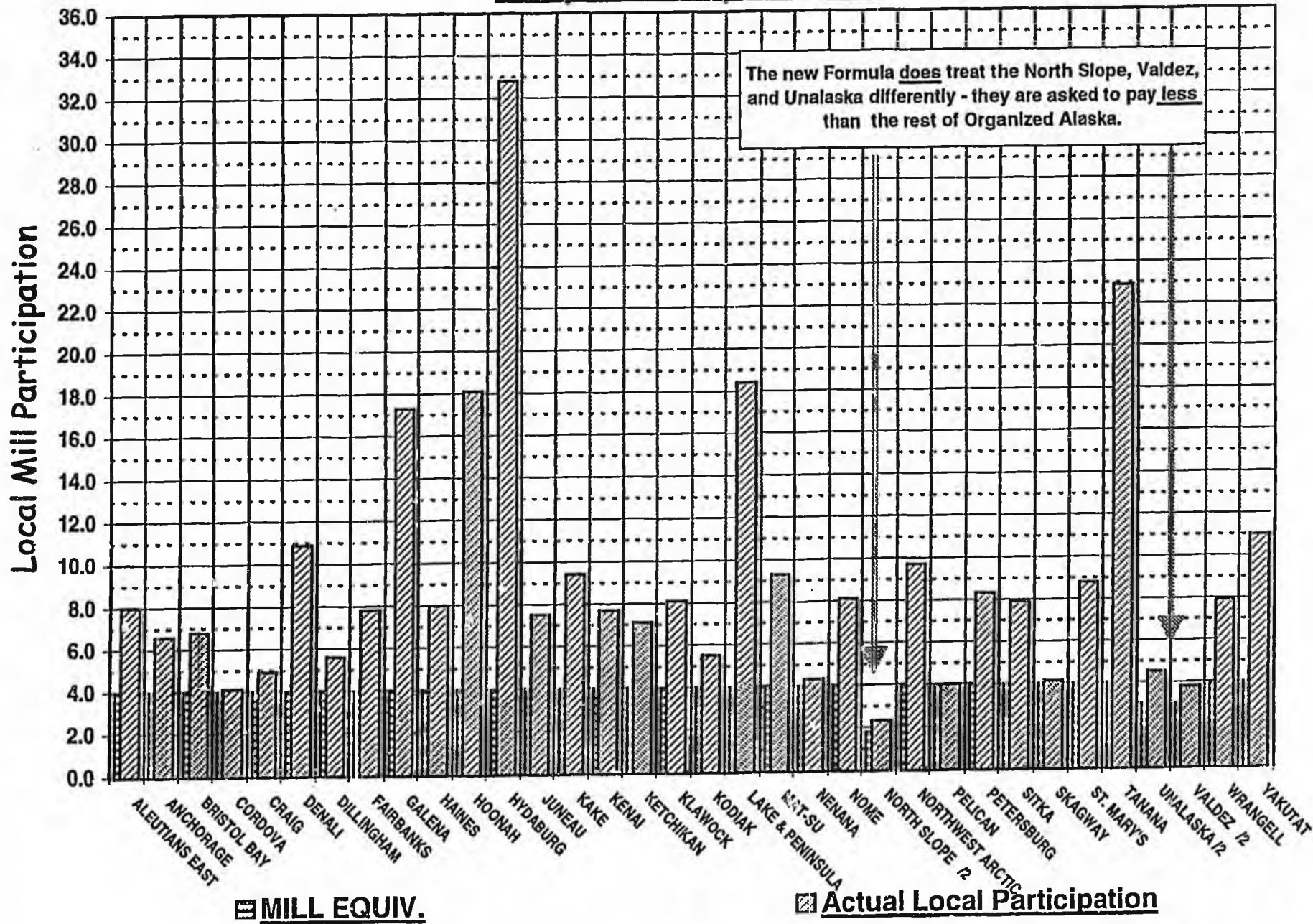


Assessed Value per True Student (ADM)  
by Assessed Dollar of School District  
Organized Governments only



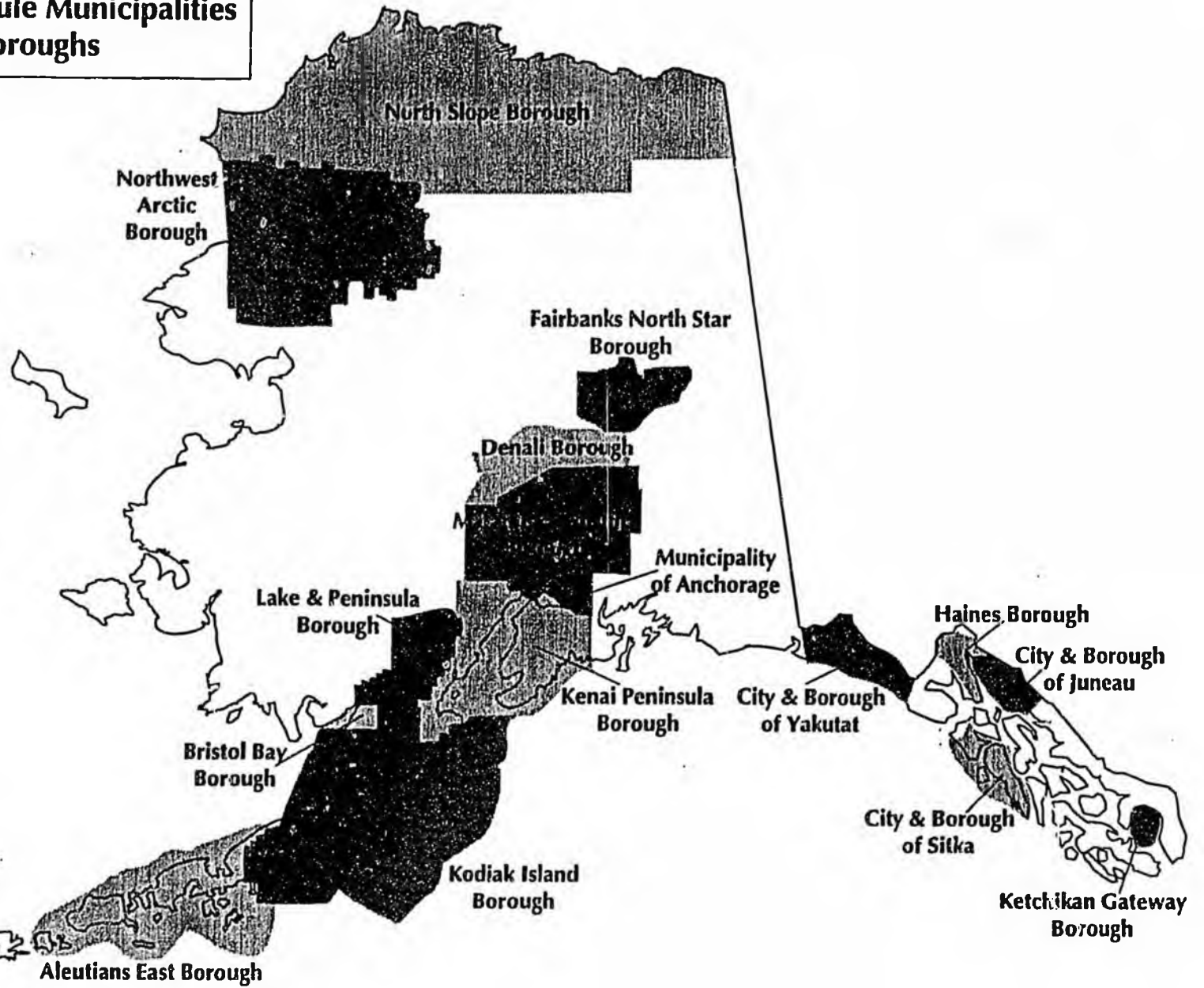
# Local Funding Participation by School District

## Proposed by SB 36



**Unorganized**  
**Areas of Alaska**

— State of Alaska —  
Unified Home Rule Municipalities  
and Boroughs



**REAA WAGES AND EMPLOYMENT - 1996 (Source: Alaska Dept. of Labor)**

	WAGE TYPE			NUMBER EMPLOYED		
	GOVERNMENT	PRIVATE	TOTAL	GOVERNMENT	PRIVATE	TOTAL
LOWER KUSKO.	\$ 56,831,456	\$ 62,741,929	\$ 119,573,385	2,008	2,930	4,938
S.W. REGION	16,373,320	38,838,089	\$ 55,211,409	534	1,482	2,016
S.E. ISLANDS	11,322,779	29,252,980	\$ 40,575,759	451	1,092	1,543
LOWER YUKON	22,242,490	9,829,649	\$ 32,072,139	1,089	669	1,758
CHATHAM	9,024,224	19,682,839	\$ 28,707,063	358	646	1,004
DELTA-GREELEY	14,997,750	11,581,805	\$ 26,579,555	460	445	905
COPPER RIVER	9,268,886	13,233,987	\$ 22,502,873	283	596	879
ALEUTIAN REGION	326,148	18,775,462	\$ 19,101,610	15	479	494
YUKON FLATS	6,944,361	11,657,499	\$ 18,601,860	239	278	517
AK GATEWAY	8,685,353	9,170,488	\$ 17,855,841	255	454	709
ANNETTE ISLAND	10,596,318	5,136,734	\$ 15,733,052	381	186	567
PRIBILOF IS.	5,206,387	8,384,196	\$ 13,590,583	168	456	624
BERING STRAIT	4,225,098	8,144,761	\$ 12,369,859	348	652	1,000
CHUGACH	1,989,053	8,542,651	\$ 10,531,704	61	276	337
YUKON-KOYUKUK	3,879,926	6,014,779	\$ 9,894,705	226	138	364
KUSPUK	6,522,797	2,727,825	\$ 9,250,622	198	131	329
IDITAROD	7,311,887	1,527,993	\$ 8,839,880	264	93	357
<b>TOTALS</b>	<b>\$ 195,748,233</b>	<b>\$ 265,243,666</b>	<b>\$ 460,991,899</b>	<b>7,338</b>	<b>11,003</b>	<b>18,341</b>

**NOTES**

- 1) REAA Estimated population - 1996 - > 19 yrs. of age = 31,155
- 2) 3% School Tax on Gross Earnings = \$13.93 million (remitted quarterly on current ESD report)
- 3) \$13.93 million divided by 18,541 wage earners = \$751.31 / yr. "head tax".
- 4) 1996 State Support to REAA's was ~\$135,000,000.

# Categorical Funding

Monies identified through the foundation formula for special education needs.

i.e.

GT, Bi-Lingual, Bi-Cultural,  
Voc Ed.

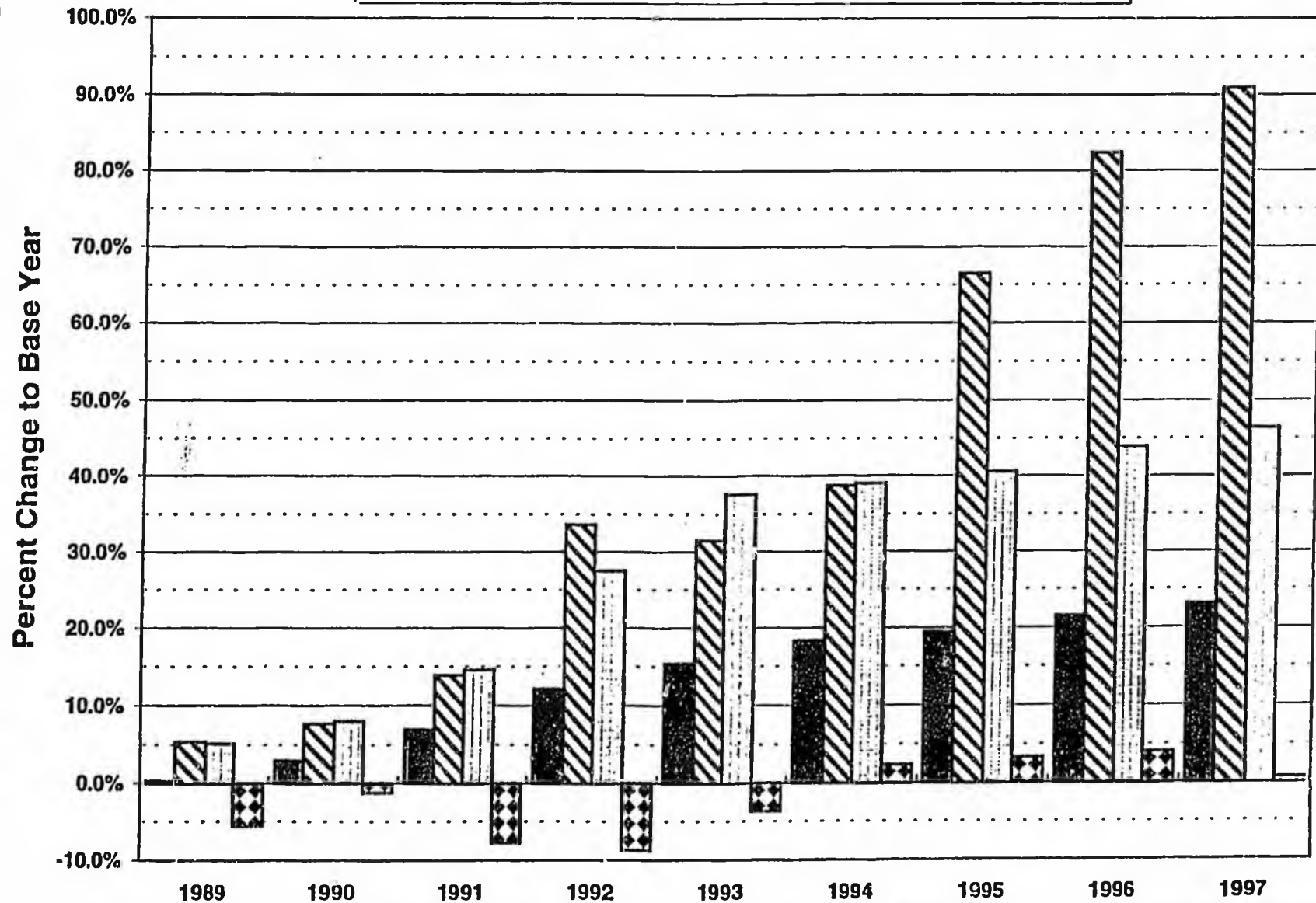
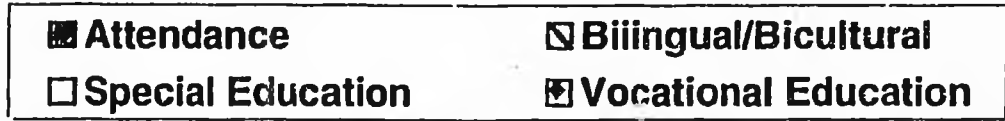
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## Current Formula

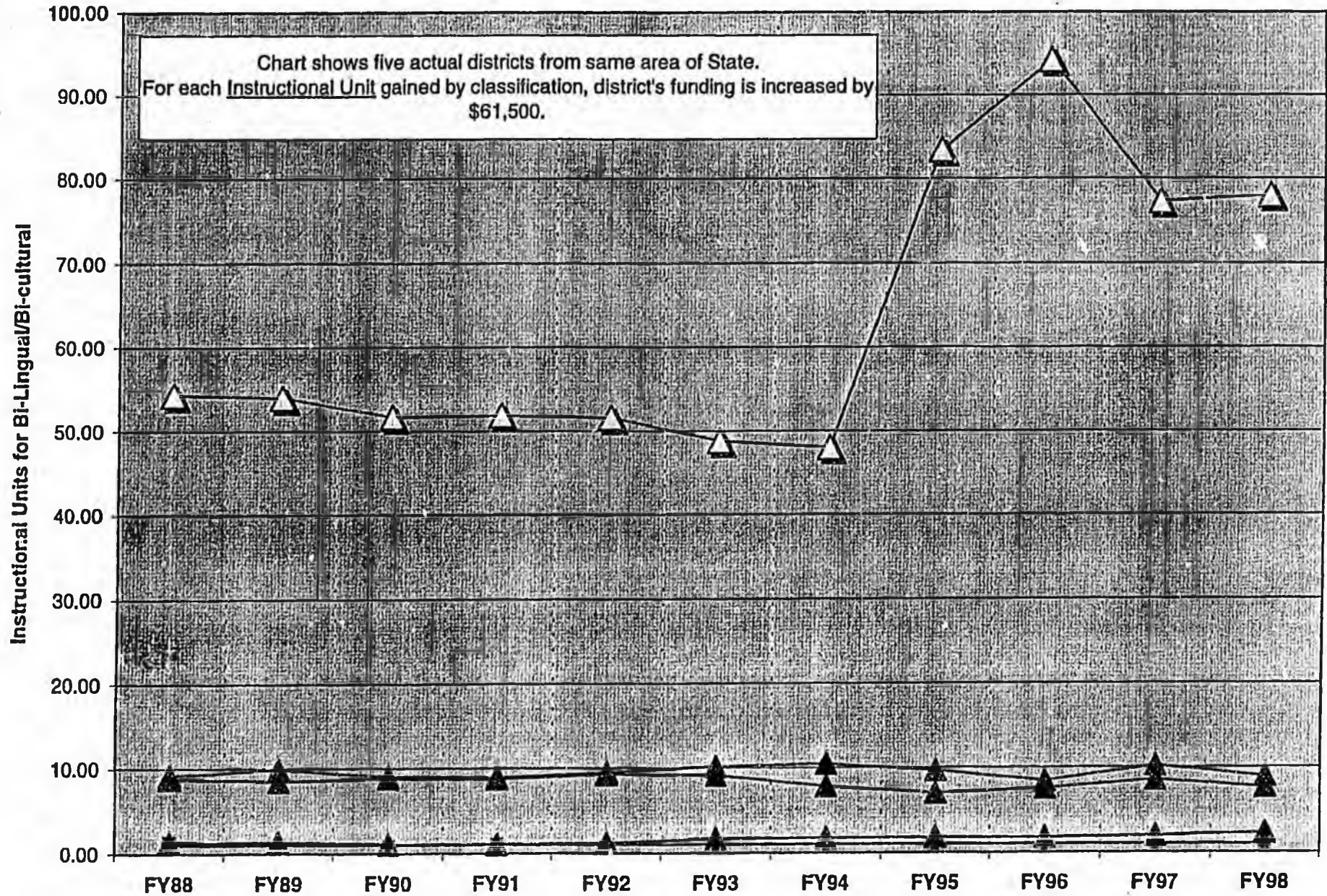
Districts define & count, then State Provides Funding based on definition & count, but...

Audits are minimal and Districts are not required to spend them for categorical needs

## Growth in Categorical Funding Requirements (1988 to 1997) Percent Change to Base Year (1988)



# Bi-Lingual/Bi-Cultural Instructional Units 1988 to 1998 Actual Example Districts



**Senate Bill CS 36**  
**Results of Legislation**

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5						Funding Community		Adjusted ADM	
6	School	School		District	Funding	ADM:	School	District:	School:
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:		
9	7	ALASKA GATEWAY		522.00				748.97	
11		Dot Lake School			DOT LAKE	15.00	15.00		39.60
12		Eagle Community School			EAGLE	23.00	23.00		44.46
13		Mentasta Lake School			MENTASTA	52.00	52.00		88.58
14		Walter Northway School			NORTHWAY	90.00	90.00		141.90
15		Tanacross School			TANACROSS	20.00	20.00		39.60
16		Tetlin School			TETLIN	29.00	29.00		54.18
17		Tok School			TOK	293.00	265.00		340.65
18		Out of District Correspondence					28.00		
20	3	ALEUTIAN REGION		67.00				141.48	
21		Nikolski School			NIKOLSKI	13.00	13.00		39.60
22		Yakov E. Nesvetov School			ATKA	27.00	27.00		50.94
23		Adak School			ADAK	27.00	27.00		50.94
25	6	ALEUTIANS EAST		345.00				566.44	
26		Akutan School			AKUTAN	23.00	23.00		44.46
27		Cold Bay School			COLD BAY	13.00	13.00		39.60
28		False Pass School			FALSE PASS	20.00	20.00		39.60
29		King Cove School			KING COVE	140.00	140.00		205.40
30		Nelson Lagoon School			NELSON LAGOON	15.00	15.00		39.60
31		Sand Point School			SAND POINT	134.00	134.00		197.78
33	93	ANCHORAGE		47,832.75				52,208.39	
34		Abbott Loop Elementary			ANCHORAGE	41,284.50	540.00		600.40
35		Airport Heights Elementary					336.00		409.52
36		Aurora Elementary					455.00		522.20
37		Baxter Elementary					464.50		530.94
38		Bayshore Elementary					527.00		588.44
39		Bear Valley Elementary					468.50		534.62
40		Bowman Elementary					551.00		610.52
41		Campbell Elementary					493.00		557.16
42		Chester Valley Elementary					301.50		376.08
43		Chinook Elementary					491.50		555.78
44		Chugach Optional Elementary					230.00		304.50
45		College Gate Elementary					491.00		555.32
46		Creekside Park					369.00		441.53
47		Denali School					509.00		571.88
48		Fairview Elementary					430.00		499.20
49		Family Partnership Charter School					451.00		518.52
50		Gladys Wood Elementary					497.00		560.84
51		Government Hill Elementary					426.00		495.52
52		Hullman Elementary					461.00		527.72
53		Inlet View Elementary					240.00		315.30
54		Kasuun Elementary					595.50		652.38
55		Kennedy Elementary					225.00		299.10
56		Kincaid Elementary					448.00		515.76
57		Klatt Elementary					525.00		586.60
58		Lake Hood Elementary					480.00		545.20
59		Lake Otis Elementary					566.00		624.32
60		Mountain View Elementary					425.00		494.60
61		Mt. Spurr Elementary					265.00		340.65
62		Mildoon Elementary					414.00		484.48
63		North Star Elementary					498.00		561.76
64		Northwood Elementary					349.50		422.62

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education								
	Foundation Program; School Districts, Funding Communities and Schools								
5	4/17/98								
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
8									
65			Nunaka Valley Elementary				365.00		437.65
66			Ocean View Elementary				376.50		448.81
67			O'Malley Elementary				469.00		535.08
68			Orion Elementary				426.00		495.52
69			Piarmigan Elementary				355.50		428.44
70			Rabbit Creek Elementary				423.50		493.22
71			Rogers Park Elementary				443.50		511.62
72			Russian Jack Elementary				386.00		458.02
73			Sand Lake Elementary				553.50		612.82
74			Scenic Park Elementary				507.00		570.04
75			Spring Hill Elementary				579.50		636.74
76			Susitna Elementary				581.50		638.58
77			Taku Elementary				396.50		468.21
78			Turnagain Elementary				374.50		446.87
79			Ursa Major Elementary				209.00		281.82
80			Ursa Minor Elementary				216.00		289.38
81			William Tyson Elementary				381.00		433.77
82			Williwaw Elementary				611.00		665.72
83			Willow Crest Elementary				467.00		533.24
84			Wonder Park Elementary				518.00		580.18
85			Northern Lights ABC Elementary				507.00		570.04
86			Tudor Elementary				502.50		565.90
87			Central Middle				800.00		835.60
88			Clark Middle				834.00		864.16
89			Denali JR High				57.00		96.03
90			Golden View Middle				775.00		814.60
91			Hanshaw Middle				895.00		915.40
92			Mears Middle School				1054.00		1048.96
93			Romig Middle				726.00		771.52
94			Wendler Middle				971.00		979.24
95			Diamond High				2147.00		1967.38
96			East High				1923.00		1778.92
97			Service High				2335.00		2131.72
98			West High				1621.00		1525.24
99			Bartlett High				1825.00		1696.60
100			Steller Secondary				314.00		388.18
101			Benny Benson Secondary/S.E.A.R.C.H.				337.00		410.49
102			*Charter North Hospital				8.00		0.00
103			Booth Memorial Home				18.00		39.60
104			Maplewood Group Home				14.00		39.60
105			McLaughlin Youth Center				167.00		236.46
106			Jesse Lee Home				18.00		39.60
107			North Star Hospital				10.00		39.60
108			Polaris K-12				458.50		525.42
109			Providence Heights				10.00		39.60
110			S.A.V.E.				263.00		338.71
111			Walden Pond Charter				140.00		205.40
112			Whaley Center				173.00		242.94
113			Aquarian Charter				120.00		180.00
114			ACE/ACT				54.00		91.56
115			A.V.A.I.L.				64.00		106.46
116			Alaska School for the Deaf		ALASKA SCHOOL FOR THE DEAF		43.00		75.17
117			Mirror Lake Elementary		EAGLE RIVER		6,361.75		310.98

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/93								
5									
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	Community	ADM:	District:	School:
8									
118			Eagle River Elementary				367.00		439.59
119			Alpenglow Elementary				540.00		600.40
120			Birchwood Elementary				339.00		412.43
121			Chugiak Elementary				511.00		573.72
122			Fire Lake Elementary				337.50		410.98
123			Homestead Elementary				443.00		511.16
124			Ravenwood Elementary				401.00		472.52
125			Gruening Middle School				612.00		666.64
126			Mirror Lake Middle				510.00		572.80
127			Chugiak High				2065.25		1898.41
128			Girdwood School		GIRDWOOD	143.50	143.50		209.85
129									
130	3	ANNETTE ISLANDS		391.00				572.48	
131			Metlakatla High School		ANNETTE	391.00	125.00		136.35
132			R. J. Elementary				173.00		242.94
133			Leask Middle School				91.00		143.17
134			In District Correspondence				2.00		
135									
136	15	BERING STRAIT		1,809.41				2,657.55	
137			Aniguin School		ELIM	103.87	103.87		159.51
138			Anthony B. Andrews School		ST. MICHAELS	123.00	123.00		133.81
139			Brevig Mission School		BREVIG MISSION	103.00	103.00		158.41
140			Diomedes School		DIOMEDE	61.00	61.00		101.99
141			Gambell School		GAMBELL	201.10	201.10		273.29
142			Golovin School		GOLOVIN	60.14	60.14		100.71
143			James C. Isabell School		TELLER	81.00	81.00		130.47
144			Koyuk Malemute School		KOYUK	90.48	90.48		142.51
145			Savoonga School		SAVOONGA	166.91	166.91		247.36
146			Shaktolik School		SHAKTOOLIK	72.00	72.00		118.38
147			Shismaref School		SHISMAREF	185.00	185.00		255.90
148			Stebbins School		STEBBINS	185.00	185.00		255.90
149			Unalakleet School		UNALAKLEET	242.91	242.91		318.44
150			Wales School		WALES	60.00	60.00		100.50
151			White Mountain School		WHITE MOUNTAIN	74.00	74.00		121.38
152									
153	2	BRISTOL BAY		308.00				406.44	
154			Bristol Bay School		BRISTOL BAY	292.00	292.00		366.84
155			South Naknek School		SOUTH NAKNEK	16.00	16.00		39.60
156									
157	7	CHATHAM		297.00				542.62	
158			Angoon School		ANGOON	146.00	146.00		213.02
159			Cube Cove School		CUBE COVE	30.00	30.00		55.80
160			Elfin Cove School		ELFIN COVE	11.00	11.00		39.60
161			Gustavus School		GUSTAVUS	70.00	70.00		115.40
162			Hobart Bay School		HOBART BAY	10.00	10.00		30.60
163			Klukwan School		KLUKWAN	15.00	15.00		39.60
164			Tenakee Springs School		TENAKEE SPRINGS	15.00	15.00		39.60
165									
166	3	CHUGACH		146.00				161.63	
167			Chenega Bay School		CHENEGA BAY	14.00	14.00		39.60
168			Tatitlek Community School		TATITLIK	30.00	30.00		55.80
169			Whittier Community School		WHITTIER	102.00	37.00		66.23
170			In District Correspondence				45.00		
171			Out of District Correspondence				20.00		
172									
173	8	COPPER RIVER		829.50				920.15	
174			*Chistochina School		CHISTOCHINA	9.00	0.00		0.00

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5									
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
175			Copper Center Elementary School		COPPER CENTER	53.00	53.00		90.07
176			Gakona Elementary School		GAKONA	27.00	27.00		50.94
177			Glennallen School		GLENNALLEN	584.50	234.00		308.82
178			Glennallen School K-6				136.50		200.96
179			Kenny Lake School		KENNY LAKE	128.00	128.00		190.16
180			Lottie Sparks School		LOTTIE SPARKS	12.00	12.00		39.60
181			Slana School		SLANA	18.00	16.00		39.60
182			In District Correspondence				37.00		
183			Out of District Correspondence				186.00		
185	2	CORDOVA		530.00				678.00	
186			Cordova School		CORDOVA	530.00	220.00		293.70
187			Mt. Eccles Elementary				310.00		384.30
189	3	CRAIG		447.00				577.32	
190			Craig Elementary		CRAIG	447.00	219.00		292.62
191			Craig High School				175.00		245.10
192			Alternative High School				14.00		39.60
193			In District Correspondence				30.00		
194			Out of District Correspondence				9.00		
196	6	DELTA/GREELY		824.00				1,110.31	
197			Charter School		DELTA JUNCTION	808.00	65.00		107.95
198			Delta Junction Elementary School				190.00		261.30
199			Delta Junction High School				220.00		293.70
200			Fort Greely School				280.00		355.20
201			Alternative High School				28.00		52.58
202			Healy Lake School		HEALY LAKE	16.00	16.00		39.60
203			In District Correspondence				25.00		
205	3	DENALI		355.00				504.20	
206			Anderson School		ANDERSON	87.00	87.00		138.09
207			Cantwell School		CANTWELL	31.00	31.00		57.29
208			Tri-Valley School		HEALY	237.00	234.00		308.82
209			In District Correspondence				3.00		
211	2	DILLINGHAM		619.00				767.63	
212			Dillingham Elementary		DILLINGHAM	619.00	336.00		409.52
213			Dillingham High School				283.00		358.11
215	30	FAIRBANKS		16,447.50				17,376.43	
216			Anderson Elementary School		EIELSON	1,662.50	480.50		545.66
217			Ben Eielson Jr/Sr High School				613.00		667.56
218			Crawford Elementary School				569.00		627.08
219			Anne Wien Elementary School		FAIRBANKS	11,404.50	516.00		578.32
220			Joy Elementary School				480.00		545.20
221			Lathrop High School				1472.00		1400.08
222			Pearl Creek Elementary School				572.50		630.30
223			Ryan Middle School				869.00		893.56
224			University Park Elementary School				553.50		612.82
225			West Valley High School				1218.00		1186.72
226			Wood River Elementary School				543.50		603.62
227			Chinook Charter School				94.00		146.98
228			Denali Elementary School				456.50		523.58
229			Fairbanks Youth Academy				72.00		118.38
230			Howard Luke Alternative Sr. High School				169.00		238.62
231			Hunter Elementary School				354.50		427.47

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5									
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	Community	ADM:	District:	School:
8									
232			Ladd Elementary School				518.00		580.16
233			Barnette Elementary School				509.50		572.34
234			New Beginnings Charter				18.00		39.60
235			Nordale Elementary School				435.50		504.26
236			Tanana Middle School				881.00		903.64
237			Arctic Light Elementary School				636.50		689.18
238			Weller Elementary School				545.50		605.46
239			Salcha Elementary School		SALCHA	86.50	86.50		137.46
240			North Pole Elementary School		NORTH POLE	3,161.00	438.50		507.02
241			North Pole High School				1012.00		1013.68
242			North Pole Middle School				791.00		828.04
243			Badger Road Elementary School				477.50		542.90
244			Ticasuk Brown Elementary School				442.00		510.24
245			Two Rivers Elementary School		TWO RIVERS	133.00	133.00		196.51
246			In District Correspondence				490.00		
247									
248	3	GALENA		1,379.00				356.60	
249			Galena Elementary School		GALENA	1,379.00	101.00		155.87
250			Galena High School				83.00		133.01
251			Galena Charter School				38.00		67.72
252			Out of District Correspondence				1157.00		
253									
254	4	HAINES		438.00					
255					HAINES	426.00		644.20	
256			Haines High School				150.00		218.10
257			Haines Junior High School				76.00		124.12
258			Haines Elementary School				191.00		262.38
259			Mosquito Lake Elementary School		MOSQUITO LAKE	12.00	12.00		39.60
260			In District Correspondence				9.00		
261									
262	2	HOONAH		270.00				398.10	
263			Hoonah Elementary		HOONAH	140.00	140.00		205.40
264			Hoonah High School			130.00	130.00		192.70
265									
266	2			125.00				208.45	
267		HYDABURG	Hydaburg Elementary		HYDABURG	62.00	62.00		103.48
268			Hydaburg Jr/Sr. High School			63.00	63.00		104.97
269									
270	10	IDITAROD		436.00				760.58	
271			Blackwoll School		ANVIK	21.00	21.00		41.22
272			David-Louis Memorial School		GRAYLING	73.00	73.00		119.87
273			Holy Cross School		HOLY CROSS	72.00	72.00		118.38
274			Innoko River School		SHAGELUK	43.00	43.00		75.17
275			Lime Village School		LIME VILLAGE	19.00	19.00		39.60
276			McGrath School		MCGRATH	142.00	142.00		207.94
277			Minchumina Community School		LAKE MINCHUMINA	12.00	12.00		39.60
278			Takotna Community School		TAKOTNA	40.00	20.00		39.60
279			Takotna Charter School				20.00		39.60
280			Top of the Kuskokwim School		NIKOLAI	14.00	14.00		39.60
281									
282	11	JUNEAU		5,750.00				6,218.92	
283			Auke Bay Elementary School		JUNEAU	5,750.00	424.00		493.68
284			Charter School				40.00		70.70
285			Dzantik'l Heeni Middle School				717.00		767.24
286			Floyd Dryden Middle School				665.00		715.40
287			Gastineau Elementary School				353.00		426.01
288			Glacier Valley Elementary School				394.00		465.78

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5						Funding			
6	School	School		District	Funding	Community	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
288			Harborview Elementary School				462.00		528.64
290			Juneau Douglas High School				1620.00		1524.40
291			Mendenhall River Elementary School				484.00		548.88
292			Riverbend Elementary School				465.00		531.40
293			Ya Kooos Alternative High School				97.00		150.79
294			In District Correspondence				29.00		
296	3	KAKE		190.00				312.22	
297			Kake Elementary School		KAKE	190.00	94.00		146.98
298			Kake Jr. High				30.00		55.80
299			Kake High School				66.00		109.44
301	1	KASHUNAMIUT		279.00				354.23	
302			Chevak School		CHEVAK	279.00	279.00		354.23
304	41	KENAI PENINSULA		10,341.96				12,548.19	
305			Chapman Elementary School		ANCHOR POINT	244.46	244.46		320.12
306			Cooper Landing School		COOPER LANDING	36.77	36.77		65.89
307			Homer Charter		HOMER	1,413.11	22.86		44.23
308			Homer Flex				29.81		55.49
309			Homer Intermediate School				331.91		405.55
310			Homer Junior High School				237.51		312.61
311			Homer Senior High School				557.49		616.49
312			Paul Banks Elementary School				233.53		308.31
313			Hope School		HOPE	17.89	17.89		39.60
314			Kachemak Selo School		KACHEMAK SELO	68.57	68.57		113.27
315			Tustumena Elementary School		KASILOF	279.24	279.24		354.46
316			Kenai Central High School		KENAI	1,789.75	530.66		591.81
317			Kenai Junior High School				425.33		494.90
318			Kenai Alternative School				45.71		75.21
319			Mountain View Elementary				393.53		465.32
320			Sears Elementary				394.52		466.28
321			McNeil Canyon Elementary		MCNEIL CANYON	149.06	149.06		216.91
322			Moose Pass School		MOOSE PASS	33.79	33.79		61.45
323			Nanwalek School		NANWALEK	58.63	58.63		98.46
324			Nikiski Elementary School		NIKISKI	1,164.68	278.25		353.50
325			Nikiski Middle/High School				550.54		610.10
326			North Star Elementary School				335.89		409.41
327			Nikolaevsk School		NIKOLAEVSK	152.04	152.04		220.30
328			Ninilchik School		NINILCHIK	228.56	228.56		302.94
329			Port Graham School		PORT GRAHAM	37.76	37.76		67.36
330			Razdolna Elementary School		RAZDOLNA	37.76	37.76		67.36
331			Susan B. English School		SELDOVIA	94.41	94.41		147.50
332			Bayview Charter School		SEWARD	854.63	19.88		39.60
333			Seward Elementary School				395.51		467.24
334			Seward Jr/Sr High School				439.24		507.70
335			Alternative School		SOLDOTNA	3,178.01	97.37		151.26
336			Aurora Borealis Charter				99.38		153.81
337			Kalifornsky Beach Elementary				424.33		493.98
338			Redoubt Elementary School				441.23		509.53
339			Skyview High School				620.10		674.09
340			Soldotna Elementary School				365.70		438.33
341			Soldotna High School				563.46		621.98
342			Soldotna Middle School				468.44		534.56
343			Sterling Elementary School		STERLING	342.84	342.84		416.15
344			Bartlett School		TYONEK	41.74	41.74		73.29

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5									
6	School	School	District	Funding	Funding	School	Adjusted ADM		
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
345		Voznesenka School			VOZNESENKA	118.26	118.26		177.79
346		In District Correspondence					98.00		
348	8	KETCHIKAN		2,719.00				3,160.98	
349		Houghtaling Elementary School			KETCHIKAN	2,719.00	488.00		552.56
350		Ketchikan Charter School					69.00		113.91
351		Ketchikan High School					725.00		770.60
352		Point Higgins Elementary School					282.00		357.14
353		Revilla High School					117.00		176.19
354		Schoenbar Middle School					403.00		474.36
355		Valley Park Elementary School					278.00		353.26
356		White Cliff Elementary School					288.00		362.96
357		In District Correspondence					69.00		
359	1	KLAWOCK		215.00				288.30	
360		Klawock School			KLAWOCK	215.00	215.00		288.30
362	15	KODIAK ISLAND		2,897.00				3,478.96	
363		Akhiok School			AKHIOK	37.66	37.66		67.22
364		Big Sandy Lake School			BIG SANDY LAKE	23.41	23.41		45.13
365		Chiniak School			CHINIAK	28.47	26.47		50.07
366		Danger Bay School			DANGER BAY	15.27	15.27		39.60
367		*Karluk School			KARLUK	9.16	0.00		0.00
368		East Elementary School			KODIAK	2,565.16	451.96		519.40
369		Kodiak Middle School					393.93		465.72
370		Kodiak High School					667.12		717.35
371		Main Elementary School					279.93		355.13
372		North Star Elementary School -- Kodiak					293.16		367.97
373		Peterson Elementary					410.22		481.00
374		Larsen Bay School			LARSEN BAY	34.61	34.61		62.67
375		Old Harbor School			OLD HARBOR	82.45	82.45		132.31
376		Ouzinkie School			OUZINKIE	42.75	42.75		74.80
377		Port Lions School			PORT LION	60.06	60.06		100.59
378		In District Correspondence					78.00		
380	11	KUSPUK		510.00				891.15	
381		Auntie Mary Nicoli Elementary			ANIAK	195.00	84.00		134.28
382		Aniak Middle School					48.00		82.62
383		Aniak High School					63.00		104.97
384		Crow Village Sain School			CHUATHUALUK	43.00	43.00		75.17
385		Johnnie John Sr School			CROOKED CREEK	43.00	43.00		75.17
386		Zackar Levi Elementary School			LOWER KALSKAG	75.00	75.00		122.85
387		George Willis School			RED DEVIL	14.00	14.00		39.60
388		Jack Egnaty Sr. School			SLEETMUTE	21.00	21.00		41.22
389		Gusty Michael School			STONY RIVER	16.00	16.00		39.60
390		George Morgan Sr. High School			UPPER KALSKAG	103.00	72.00		118.38
391		Joseph & Olinga Gregory School					31.00		57.29
393	15	LAKE & PENINSULA		518.00				965.27	
394		Chignik Bay School			CHIGNIK BAY	17.00	17.00		39.60
395		Chignik Lagoon School			CHIGNIK LAGOON	31.00	31.00		57.29
396		Chignik Lake School			CHIGNIK LAKE	46.00	46.00		79.64
397		Egegik School			EGEGIK	22.00	22.00		42.84
398		Igugig School			IGUGIG	16.00	16.00		39.60
399		Ivanof Bay School			IVANOF BAY	11.00	11.00		39.60
400		Kokhanok School			KOKHANOK	64.00	59.00		99.01

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5						Funding Community	School	Adjusted ADM	
6	School	School	District	Funding	Funding	Community	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
401			Levelok School		LEVELOK	23.00	23.00		44.46
402			Newhalen School		NEWHALEN	89.00	89.00		140.63
403			Nondalton School		NONDALTON	73.00	73.00		119.87
404			Pedro Bay School		FEDRO BAY	12.00	12.00		39.60
405			Perryville School		PERRYVILLE	39.00	39.00		69.21
406			Pilot Point School		PILOT POINT	28.00	28.00		52.56
407			Port Alsworth School		PORT ALSWORTH	13.00	13.00		39.60
408			Port Heiden School		PORT HEIDEN	34.00	34.00		61.76
409			In District Correspondence				5.00		
411	26	LOWER KUSKOKWIM		3,642.00				5,045.00	
412			Akluk Memorial School		AKLUK	73.00	73.00		119.87
413			Akula Elitnavuk School		AKULA	89.00	89.00		140.63
414			Joann A. Alexie Memorial School		ATMAUTLAUK	79.00	79.00		127.93
415			Bethel Regional High School		BETHEL	1,375.00	464.73		531.15
416			Bethel Youth Facility				24.52		46.92
417			Bethel-Kilbuck Elementary				486.05		550.76
418			Bethel-Mikelnguut Elitnavurviat				399.71		471.32
419			Chaptinguak School		CHEFORNAK	132.00	132.00		195.24
420			Eek School		EK	89.00	89.00		140.63
421			Rocky Mountain School		GOODNEWS	82.00	82.00		131.74
422			Chief Paul Memorial		KIPMUK	197.00	197.00		268.86
423			Dick R Kiunya		KONGIGANAK	114.00	114.00		172.38
424			Kwethluk Community School		KWETHLUK	208.00	208.00		280.74
425			Kwigillingok School		KWIGILLINGOK	93.00	93.00		145.71
426			Nelson Island School		TOKSOOK BAY	171.00	171.00		240.78
427			Nuniwaarmiut School		MEKORYUK	50.00	50.00		85.60
428			William N Miller Meml		NAPAKIAK	108.00	108.00		164.76
429			Z. John Williams Memorial School		NAPASKIAK	126.00	126.00		187.62
430			Ayaprun High School		NEWTOK	86.00	86.00		136.82
431			Nightmute School		NIGHTMUTE	62.00	62.00		103.48
432			Anna Tobeluk Memorial School		NUNAPITCHUK	139.00	139.00		204.13
433			Ougcuun Memorial School		OSCARVILLE	15.00	15.00		39.60
434			Arviq School		PLATINUM	10.00	10.00		39.60
435			Quinhagak School		QUINHAGAK	155.00	155.00		223.50
436			Lewis Angapak Memorial School		TUNTUTULIAK	87.00	87.00		138.09
437			Paul T. Albert Memorial School		TUNUNAK	102.00	102.00		157.14
439	11	LOWER YUKON		1,850.60				2,520.67	
440			Alakanak School		ALAKANAK	178.90	178.90		249.31
441			Emmonak School		EMMONAK	264.75	264.75		340.41
442			Hooper Bay School		HOOPER BAY	392.55	392.55		464.37
443			Kollik School		KOTLIK	186.75	186.75		257.79
444			Marshall School		MARSHALL	93.90	93.90		146.85
445			Mountain Village School		MOUNTAIN VILLAGE	248.85	248.85		324.86
446			Pilot Station School		PILOT STATION	173.05	173.05		242.99
447			Pitkas Point School		PITKAS POINT	44.15	44.15		76.88
448			Russian Mission		RUSSIAN MISSION	92.25	92.25		144.76
449			Scammon Bay School		SCAMMON BAY	125.80	125.80		187.37
450			Sheldon Point School		SHELDON POINT	49.65	49.65		85.08
452	30	MAT-SU		12,641.00				13,549.15	
453			Palmer High School		PALMER	3,168.70	941.92		954.81
454			Palmer Junior High				745.80		789.74
455			Sherrad				423.14		492.89
456			Academy Charter School				81.15		130.66

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5						Funding Community ADM:	School ADM:	Adjusted ADM District: School:	
6	School	School	District	Funding	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
457			Swanson				380.63		452.81
458			Wasilla High School		WASILLA	3,338.73	977.66		984.84
459			Alternative				169.06		238.69
460			Wasilla Middle School				853.66		889.08
461			Iditarod				458.88		525.77
462			Snowshoo				377.73		450.00
463			Tanaina				491.73		555.99
464			Colony High School		COLONY	3,384.14	1127.40		1110.62
465			Colony Middle School				875.26		898.82
466			Coltonwood Creek				446.32		514.22
467			Pioneer Peak				393.19		464.99
468			Finger Lake				541.96		602.21
469			Su Valley		MAT-SI VALLEY	234.75	234.75		309.63
470			Houston		HOUSTON	571.91	571.91		629.76
471			Big Lake		BIG LAKE	626.01	472.41		538.21
472			Midnight Sun Charter School				89.84		141.70
473			Big Lake Annex				63.76		106.10
474			Glacier View		GLACIER VIEW	61.83	61.83		103.22
475			Talkeetna		TALKEETNA	114.00	114.00		172.37
476			Trapper Creek		TRAPPER CREEK	39.61	39.61		70.12
477			Willow		WILLOW	208.67	208.67		281.46
478			Skwentna		SKWENTNA	21.25	21.25		41.63
479			Butte		BUTTE	325.56	325.56		399.40
480			Sutton		SUTTON	111.10	111.10		168.69
481			Goose Bay		GOOSE BAY	421.21	421.21		491.11
482			Beryozava		BERYOZAVA	13.52	13.52		39.60
483			In District Correspondence				596.06		
485	1	NENANA		220.00				199.05	
486			Nenana K-12 School		NENANA	220.00	135.00		199.05
487			In District Correspondence				20.00		
488			Out of District Correspondence				65.00		
490	3	NOME		709.00				956.83	
491			Alternative High School		NOME	789.00	29.00		54.18
492			Nome Elementary School				435.00		503.80
493			Nome /Beltz Jr/Sr High				325.00		398.85
495	10	NORTH SLOPE		2,037.00				2,629.23	
496			Nunamiut School		ANAKTUVUK PASS	77.54	77.54		126.07
497			Meade River School		ATOASUK	69.33	69.33		114.40
498			Barrow High School		BARROW	1,175.86	203.43		275.80
499			Fred Ipalook				712.45		759.05
500			Ebin Hopon Middle				259.98		335.78
501			Harold Kaveolook School		KAKTOVIK	67.50	67.50		111.68
502			Nuiqsut Trapper School		NUIQSUT	145.04	145.04		211.81
503			Tikiqag School		POINT HOPE	260.90	260.90		336.67
504			Cully School		POINT LAY	74.80	74.80		122.56
505			Alak School		WAINWRIGHT	166.03	166.03		235.41
507	12	NORTHWEST ARCTIC		2,248.00				2,950.50	
508			Ambler School		AMBLER	115.00	115.00		173.65
509			Buckland School		BUCKLAND	157.00	157.00		225.66
510			Deering School		DEERING	44.00	44.00		76.66

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5							Funding Community ADM:		Adjusted ADM School:
6	School	School		District	Funding		School		
7	Totals:	District:	School:	ADM:	Community:		ADM:	District:	School:
511			Kiana School		KIANA		123.00	123.00	183.81
512			McQueen School		KIVALINA		147.00	147.00	214.29
513			Kobuk School		KOBUK		28.00	28.00	52.56
514			Kotzebue Elementary School		KOTZEBUE		904.00	485.00	549.80
515			Kotzebue Jr/Sr High School					404.00	475.28
516			Napaaglugmlut School		NOATAK		150.00	150.00	218.10
517			Aggeluk School		NORVIK		219.00	219.00	292.62
518			Selawik		SELWIK		272.00	272.00	347.44
519			Shungnak		SHUNGNAK		89.00	89.00	140.63
520			In District Correspondence					15.00	
521									
522	1	PELICAN		38.00					67.72
523			Pelican School		PELICAN		38.00	38.00	67.72
524									
525	3	PETERSBURG		775.00					993.42
526			Petersburg Elementary School		PETERSBURG		775.00	358.00	430.86
527			Petersburg High School					233.00	307.74
528			Petersburg Middle School					184.00	254.82
529									
530	2	PRIBILOF		196.00					299.06
531			Saint George Island School		ST. GEORGE		52.00	52.00	88.58
532			St. Paul Island School		ST. PAUL		144.00	144.00	210.48
533									
534	5	SITKA		1,750.00					1,993.10
535			Baranof Elementary School		SITKA		1,750.00	285.00	360.05
536			Blatchley Jr High School					385.00	457.05
537			Pacific Alternative					50.00	85.60
538			Sitka High School					505.00	568.20
539			Verstovia Elementary School					455.00	522.20
540			In District Correspondence					70.00	
541									
542	1	SKAGWAY		130.00	SKAGWAY				192.70
543			Skagway School				130.00	130.00	192.70
544									
545	12	SOUTHEAST ISLAND		269.00					500.47
546			*Craig Logging School		CRAIG		8.00	0.00	0.00
547			*Edna Bay School		EDNA BAY		9.00	0.00	0.00
548			JR Gildersleeve		JR. GILDERSLEEVE		12.00	12.00	39.60
549			Hollis School		HOLLIS		23.00	23.00	44.46
550			Howard Valentine		HOWARD VALENTINE		27.00	27.00	50.94
551			*Kassan		KASAAN		8.00	0.00	0.00
552			Naukatl School		NAUKATI		39.00	39.00	69.21
553			*Polk Inlet School		POLK INLET		7.00	0.00	0.00
554			Port Alexander School		PORT ALEXANDER		10.00	10.00	39.60
555			Port Protection School		PORT PROTECTION		19.00	19.00	39.60
556			Thorne Bay School		THORNE BAY		96.00	118.00	177.46
557			Whale Pass School		WHALE PASS		11.00	11.00	39.60
558			In District Correspondence					10.00	
559									
560	9	SOUTHWEST REGION		779.20					1,147.70
561			*Portago Creek		PORTAGE CREEK		8.00	0.00	0.00
562			Aleknagik North School		ALEKNAGIK NORTH		39.65	39.65	70.18
563			Clarks Point School		CLARKS POINT		16.25	16.25	39.60
564			Koliganek School		KOLIGANEK		82.90	82.90	132.88
565			Manokotak School		MANOKOTAK		144.90	144.90	211.62
566			Chief Ivan Blunka		NEW STUYAHOK		162.70	162.70	231.82
567			Togiak School		TOGIK		277.20	285.20	360.24

	B	D	F	G	H	I	J	M	N
1	Alaska Department of Education Foundation Program; School Districts, Funding Communities and Schools 4/17/98								
5									
6	School	School		District	Funding	Funding	School	Adjusted ADM	
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:
568			Twin Hills School		TWIN HILLS	13.60	13.60		39.60
569			William "Sonny" Nelson School		EKWOK	34.00	34.00		61.76
571	1	ST. MARY'S		133.00				185.08	
572			St. Mary's School		ST. MARY'S	133.00	124.00		185.08
573			Out of District Correspondence				9.00		
575	1	TANANA		113.00				168.57	
576			Tanana School		TANANA	113.00	111.00		168.57
577			In District Correspondence				2.00		
579	3	UNALASKA		390.00				533.40	
580			Unalaska Elementary		UNALASKA	390.00	164.00		233.22
581			*Alternative High School				0.00		0.00
582			Unalaska High School				226.00		300.18
584	3	VALDEZ		895.00				1,100.43	
585			George H. Gilson Jr. High		VALDEZ	895.00	143.00		209.21
586			Herman Hutchins Elementary				504.00		567.28
587			Valdez High School				248.00		323.94
589	3	WRANGELL		514.25				701.14	
590			Wrangell Elementary School		WRANGELL	514.25	222.00		295.86
591			Wrangell High School				154.00		222.42
592			Stikine Middle School				122.25		182.86
593			In District Correspondence				10.00		
594			Out of District Correspondence				6.00		
596	2	YAKUTAT		178.00				274.98	
597			Yakutat School K thru 12		YAKUTAT	166.00	166.00		235.38
598			Icy Bay		ICY BAY	12.00	12.00		39.60
600	11	YUKON FLATS		444.00				712.00	
601			Arctic Village School		ARCTIC VILLAGE	48.00	48.00		82.62
602			Beaver "Cruikshank" School		BEAVER	23.00	23.00		44.46
603			*Birch Creek School		BIRCH CREEK	9.00	0.00		0.00
604			Chalkyitsik School		CHALKYITSIK	20.00	20.00		39.60
605			Circle School		CENTRAL	28.00	28.00		52.56
606			Far North School		CIRCLE	20.00	20.00		39.60
607			Fort Yukon School		FORT YUKON	168.00	142.00		207.94
608			Northern Lights School		NORTHERN LIGHTS	28.00	28.00		52.56
609			Rampart School		RAMPART	12.00	12.00		39.60
610			Stevens Village School		STEVENS VILLAGE	28.00	28.00		52.56
611			Venetie School		VENETIE	60.00	60.00		100.50
612			In District Correspondence				35.00		
614	10	YUKON/KOYUKUK		554.00				923.58	
615			Allakaket School		ALLAKAKET	58.00	58.00		97.52
616			Andrew K. Demonski School		NULATO	126.00	133.00		196.51
617			*Bettles Field School		BETTLES	7.00	0.00		0.00
618			Johnny Oldman School		HUGHES	12.00	12.00		39.60
619			Jimmy Huntington School		HUSLIA	74.00	74.00		121.36
620			Kaltag School		KALTAG	73.00	73.00		119.87
621			Ella B. Vernetli		KOYUKUK	31.00	31.00		57.29
622			MHS Gladys Dart School		MANLEY HOT SPRINGS	18.00	18.00		39.60
623			Merriline A. Kangas School		RUBY	74.00	74.00		121.36
624			Minto		MINTO	81.00	81.00		130.47

	B	D	F	G	H	I	J	M	N	
1	Alaska Department of Education									
	Foundation Program; School Districts, Funding Communities and Schools									
5	4/17/98									
6	School	School		District	Funding	Funding	School	Adjusted ADM		
7	Totals:	District:	School:	ADM:	Community:	ADM:	ADM:	District:	School:	
8										
626	3	YUPIIT		412.00				601.48		
627			Akiachak School		AKIACHAK	174.00	174.00		244.02	
628			Akiak School		AKIAK	122.00	122.00		182.54	
629			Tuluksak School		TULUKSAK	116.00	116.00		174.92	
630										
631										
632	1	ACS		1,658.38						
633			Out of District Correspondence		ACS	1,658.38	1658.38			
634										
635	1	MT.EDGE CUMBE		306.00				380.42		
636			Mt Edgcumbe School		MT EDGE CUMBE	306.00	306.00		380.42	
638	478	<b>TOTALS:</b>		130,800.55		130,800.55	130,800.55	149,151.85	149,151.85	
639			*Combined with the largest school within their respective districts.							



## ALASKA COUNCIL OF SCHOOL ADMINISTRATORS

326 Fourth St., Suite 404 Juneau, AK 99801-1101 • (907) 586-9702 • (800) 778-9702 • FAX (907) 586-5879  
E-mail: [acsa@ptialaska.net](mailto:acsa@ptialaska.net) • Home Page: <http://puffin.ptialaska.net/~acsa>

### POSITION STATEMENT

#### CS FOR SB 36

"An Act relating to the public school funding program; relating to the definition of a school district, to the transportation of students, to employment of chief school administrators, to school district layoff plans, to the special education service agency, and to the child care grant program; and providing for an effective date."

The Alaska Council of School Administrators is opposed to CSSB 36.

There are three dominant reasons for opposing this legislation which we would like to call attention to:

1. Sec. 14.17.420. Special needs and intensive services funding. We believe using a factor of five to compute funding for intensive services is far below what is needed for addressing the high cost of servicing intensive special education students. In all the previous legislation, intensive needs students would be covered by \$22,500 per student. In this legislation, when you use the ADM of Anchorage or Juneau and multiply it by five, you see a much lower amount of funding available to districts.

We would recommend adjusting the factor of five up to meet the \$22,500 per student for intensive services.

2. Sec. AS 14.14.130(a): "If the district employs a chief school administrator...". We would caution the legislature to not amend this section of the current statutes. Over the past three years, there have been major legislation passed which places a greater burden on school districts for reporting and operations. As an example, HB 465 has created additional administrative responsibility for observation and evaluation of staff as well as increased communicating with local community members. We are responsible for testing 4th, 8th and 11th graders. We are to now begin to administer exit examinations for high school senior. By regulations, districts must align their curriculum with state standards and respond to Quality Schools

Initiatives. It is more apparent that there is a greater responsibility placed on the chief school administrator, not less.

A school district is like a university campus or a major corporation. Can the university system do without their president or campus chancellors? Can major Alaskan corporations do without their CEO's?

Under current law districts do have the flexibility to share a chief school administrator. Sec. 14.14.130(d) "This section does not prohibit two or more districts from sharing the services of a chief school administrator."

We believe the current language of the law reflects the intent of this proposed amendment in CSSB 36.

3. Sec. 14.17.410. Public School funding. It is our position that there should not be one school district benefiting from increased revenues that have been taken away from another school district.

There has been convincing testimony from all school districts that there is need for more money. Over the past ten years, as the state has continued to short fund the foundation formula, local communities have continued to increase their support for their schools. But even the local organized governments are reaching their limits of funding. We believe it is time for the State of Alaska to increase the level of funding for all school districts.

Respectfully submitted,



Stephen T. McPhetres  
Executive Director, ACSA

# Alaska State Legislature



Official Business  
Fax: (907) 465-3472

State Capitol  
Juneau, AK 99801-1182  
(907) 465-3720  
(907) 465-2689

Speaker of the House of Representatives

March 16, 1998

To: Members, House HESS Committee  
Members, House Finance Committee

From: Rep. Gail Phillips *Gail*  
SPEAKER OF THE HOUSE

---

Please read the attached letter from the Kenai Peninsula Borough School District Superintendent of Schools, John Dahlgren.

John makes several good points that I'd like to bring to your attention:

1. The Kenai Peninsula has 12 village schools that are presently serving 1,059 students. This enrollment (just in these village schools of the district) is larger than 41 other districts in the State. Yet – as part of a district classified "urban," these 12 schools are not given the same status as other village schools throughout the State.
2. The homes and personal properties in these rural settings of the Borough are all charged the Borough's personal property tax, which helps offset the cost of education for the District.

Please feel free to use Supt. John Dahlgren for any questions you may have as we proceed with solving the disparity in the instructional unit formula.

GP:ps

encls.

cc: Superintendent John Dahlgren



# KENAI PENINSULA BOROUGH SCHOOL DISTRICT

143 North Binkley Street • Soldotna, AK 99689-7598 • Phone 907/262-5846 • Fax 907/262-9645

## OFFICE OF THE DISTRICT SUPERINTENDENT

March 12, 1998

Representative Gail Phillips  
 Room 208, State Capitol  
 Juneau, Alaska 99801-1182

Post-It® Fax Note	7671	Date	3/13/98	# of pages	2
To	Speaker Phillips		From	John Walker	
Co./Dept.			Co.		
Phone #			Phone #		
Fax #	465-3472		Fax #		

*A hard copy is in the US mail*

Dear Representative Phillips:

There has been much discussion during the debate of SB36 and I have followed it very closely through its passage in the senate. Many legislators are trying to turn this into a rural versus urban issue. I can assure you, having been born and raised in The Bronx, New York, that it will take a lot of convincing for me to feel that Soldotna, Kenai, Homer, and Seward are urban areas. Setting that aside, I would like to give you some information that might help you combat those discussions.

I have totaled the enrollment of our village schools and we are presently serving 1,059 students. As I look at the school districts in Alaska, that enrollment is larger than 41 other districts in the state.

School	Enrollment
Bartlett Elem/High(Tyonek)	42
Chapin Elementary (Anchor Point)	26
Cooper Landing Elementary	37
Hope Elementary	28
Kachemak Selo Elementary	69
Moose Pass Elementary	34
Nanwalek Elem/High	59
Nikolaevsk Elementary	37
Ninilchik Elem/High	230
Port Graham Elementary	31
Razdolna Elementary	38
Seldivia English Elem/High	25
<b>Totals</b>	<b>1059</b>

I hardly think that any of these villages would be considered urban.

Letter/Legislature-School Funding

March 12, 1998

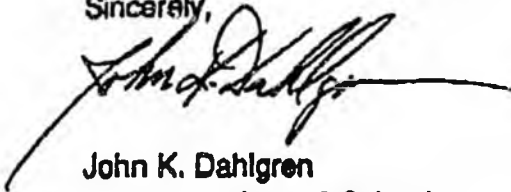
Page 2

Last week I attended the Elder's Day celebration in Port Graham. That Native community celebrates the things that they are doing for both the young and the old. Needless to say, it is a very successful village at both the school and community level.

I am appalled to think that we would deal with our village schools or fund them any differently than some of the other village schools in Alaska. Our schools across the water have higher operational costs, which we recognize by funding differently than our schools on the road system. We recognize that it costs more to do business in these communities and it is time that the state and the rest of Alaska recognizes it too! The homes and properties in these extremely rural settings are charged borough personal property taxes helping to offset the cost of education. Hiking down the switch back trail to Kachemak Selo rivals any bush situation in Interior Alaska.

Please continue working for the good of our students on the Kenai Peninsula and I wish you success in that endeavor. My staff and I are available to answer any financial or instructional questions that you might have.

Sincerely,



John K. Dahlgren  
Superintendent of Schools

cc: Senator John Torgerson  
Senator Jerry Ward

# United Utilities, Inc.

Affiliate of Unicom



Steve Hamlen  
President

March 13, 1998

The Honorable Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, Alaska 99801-1182

Dear Ms. Speaker:

United Utilities, Inc. provides telecommunications services in 58 rural Alaskan communities. We are concerned with the unprecedented budget cuts to rural schools contained in SB 36. All of our citizens are deserving of legislative decisions that are carefully thought out and are based upon an impartial analysis of all the facts.

SB 36 would transfer approximately \$31 million from rural school districts to Anchorage. The Lower Kuskokwim School District, for example, has informed us that they would lose approximately \$8.4 million, 150 classified staff, and 60 teachers. These funding cuts are substantial and I am concerned for the ongoing ability of our native Alaskan children to receive a suitable education. I'm also concerned that this debate has turned into a contest of us versus them (urban versus rural). I've been told that a new funding formula is being proposed that includes factors, such as the ability to raise educational funds via property taxes, that are unrealistic and designed to favor one constituency over another.

Please carefully consider the merits of SB 36. Something is wrong here and it will be our native children who will be disadvantaged if it is not fixed. I wish that all of our legislators could visit our rural schools including our school in Hooper Bay and then compare these schools with any school in Anchorage. I have little doubt that anyone could walk away from these visits and suggest that the funding for our rural schools should be reduced.

Sincerely yours,

An Alaskan Native Owned Corporation

5450 A Street  
Anchorage, AK 99518-1291

<http://www.unicom-alaska.com>

(800) 478-2020  
(907) 561 1674

Fax (907) 563-3185

## CITY OF UNALASKA

P.O. BOX 610  
UNALASKA, ALASKA 99685  
(907) 581-1251  
FAX (907) 581-1417



March 13, 1998

SENT VIA FAX: (907)465-3871

House HESS Committee  
Capital Building  
Juneau, Alaska 99801

Dear Representatives,

I'm writing on behalf of the City Council and Community of Unalaska. We strongly oppose SB 36 in its current format. This bill will not only have a negative impact on our community but on many other rural communities throughout Alaska. With SB 36 in its present format, Unalaska would lose close to \$500,000 in state funding, \$200,000 in proposed state aid, \$200,000 in single site funding, and additional costs by cuts the Aleutian Region School District would face that we share administrative costs with. The City of Unalaska would have to make up the cuts from our budget.

The City of Unalaska supported our local school district at the maximum allowable local contribution for many years. This year, the contribution is \$1.7 million dollars, plus additional contributions for food service and preschool. In addition, we also have a capital projects budget which includes well over a million dollars this year for the purchase of four portable classrooms and technology upgrades.

Our community places a very high priority on education and we fund it at a very high level each year. This year, local contribution for school funding may reach 17% of our general fund revenues. Why should this community, that pays its own way, have to face cuts because its assessed value to student count ratio is high? This community has a 3% sales tax, a 11.78 mill rate, a 2% local landing tax on all fish delivered to our local processing plants. We also generate a tremendous amount of revenue for the State of Alaska. During the past ten years, this community, through the State Fisheries Business Tax, the State Offshore

House HESS Committee  
Page Two

Landing Tax, and the State Marine Fuel Tax, has generated revenues in excess of \$86 million dollars for the State of Alaska.

This legislation, in its present form, would penalize a hard working community that consistently contributes locally at a high level, and generates revenues for the State of Alaska.

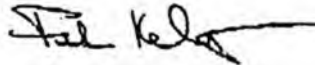
In conclusion, I would strongly urge the committee to take another look at this legislation. The proposed legislation will be disastrous to so many rural school districts in our state. I believe it is time to increase state funding for education, and this bill doesn't do that. This bill takes dollars away from some of the most economically depressed areas of the state. Does that make sense? It doesn't to me.

I just received my quarterly report on the permanent fund in the mail yesterday. The report showed a fund value of \$23.04 billion dollars. Last year, the legislature rolled over almost \$2 billion dollars back into the fund. But yet our state can't afford to increase funding for education to even to cover the annual cost of inflation.

I believe it is time to start thinking about the future of the children in the entire State of Alaska and the education they deserve to receive. Our children are Alaska's greatest resource. I strongly urge you to rework this bill, and add more funding for education by using some of the earnings of the Permanent Fund.

I can't think of a better use of Permanent Fund revenue than to provide a first class education to the children of the State of Alaska.

Sincerely,



Frank Kelty  
Mayor

cc: Governor Knowles  
Senator Hoffman  
Representative Moses

# Alaska State Legislature



Official Business  
Fax: (907) 465-3472

State Capitol  
Juneau, AK 99801-1182  
(907) 465-3720  
(907) 465-2689

Speaker of the House of Representatives

March 17, 1998

*Lyons*

Ms. Beverly Williams and Students  
Lower Kuskokwim School District  
Curriculum Bilingual Department  
PO Box 305  
Bethel, AK 99559

Dear Ms. Williams and Students:

Thank to each of you for your letters pointing out the possible negative effects on bilingual education efforts of the current version of SB 36. As you may know, CS SB 36 (FIN) am passed the Senate a few days ago and is now in the House where it has been assigned to the House HESS and Finance Committees. The first House hearing is scheduled for March 21 at 1:00 p.m. Although that hearing will be teleconferenced, it will be for listening only. However, a teleconference to hear public testimony will be scheduled in the not too distant future, and I hope someone at your school will take an opportunity to testify. You can keep abreast of the scheduled hearings for SB 36 by checking with the LIO in Bethel (543-3541). In the meantime, I will forward a copy of your letters to the House HESS Committee with a request that they include it in the committee members' SB 36 bill files.

Again, I appreciate hearing from you and hope you will share this letter with your many Kasigluk students who took the time to write about SB 36.

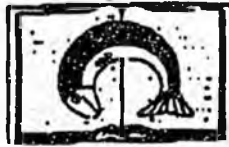
Sincerely,

A handwritten signature in cursive script that reads "Gail Phillips".

Gail Phillips  
SPEAKER OF THE HOUSE

GP:jmj

Cc w enc: Rep. Con Bunde, Chair, House HESS Committee



Lower  
Kuskokwim  
School  
District

*Curriculum Bilingual Department*

Beverly Williams  
P.O. Box 305  
Bethel, AK 99559  
907-543-4850 fax: 907-543-4924

Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, AK 99801-1182

March 12, 1998

Dear Representative Phillips:

I am writing in regard to SB 36 and the devastating repercussions it will have on the students in the L.KSD. As you may know, the majority of L.KSD students are first language speakers of Yup'ik when they start school, and we work hard at following the federal Civil Rights and State guidelines necessary to provide the kind of education needed for them to work toward English language proficiency and academic achievement. The programs we currently have in place are research based, and comply with the state and federal guidelines. If the L.KSD experiences the level of defunding as promised by this bill, we will no longer be in a position to provide programs that are in compliance with either state or federal guidelines. The chances that the L.KSD AND the State of Alaska will be out of compliance with the federal Civil Rights Law regarding limited English proficient children, will be a reality. The destructive nature of SB 36, which essentially takes money from language minority children and redistributes it to language majority children will in essence contribute to "exclusion from participation" by Alaska Native students in the Alaska education system.

The discriminatory nature of SB 36 certainly does not reflect the nature and ethics of the people of Alaska in regard to its indigenous population. Please consider the moral issues at stake, as well as the Civil Rights issues.

Sincerely,

Beverly Williams

Post-it® Fax Note	7671	Date	3/20	# of pages ▶
TO SENATOR PHILLIPS		From LYNN HAMMOND		
Co./Dept.		Co.		
Phone #		Phone # 907 277 5750		
Fax # 907 465 4979		Fax # 907 277 5107		

2632 Kenmore Cir  
Anchorage, AK 99504  
March 20, 1998

Senator Randy Phillips  
State Capitol  
Juneau, AK 99801-4979

Dear Senator Phillips:

I am concerned that there may be a misunderstanding about the recent budget recommendations made by the Anchorage School Budget Advisory Commission.

The Anchorage School District requested a \$9.7 million increase in city property taxes. Our recommendation was that the Anchorage Assembly reduce the request by \$2 million. This recommendation was based on our concerns that the burden on the Anchorage taxpayer is rising much too rapidly. It was not necessarily based on the presumption that there is too much money in the Anchorage School District Budget.

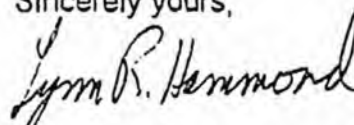
Anchorage school taxes have now risen about 10% per year for four years; if the current tax request is approved that will add yet another 10% increase. With compounding, our taxes will have risen 60% in five years. This rate of increase is unsustainable and unaffordable.

We stand by our assessment that the district is in the best financial shape in years. It is important to remember, however, *that this condition was achieved through painful program cuts and a massive shift of the costs of education from the state to the local taxpayer.*

I believe that use our Commission's report as an excuse for not reforming the foundation formula represents a distortion of our message. I hope this letter clarifies our position.

Thank you for your support!

Sincerely yours,



Lynn R. Hammond  
Vice Chairman  
Anchorage School Budget Advisory Commission

cc: Mayor Mystrom  
Anchorage Assembly  
School Budget Advisory Commission Members  
Superintendent Christal  
School Board President Ossiander

To whom it may concern,

3-11-78

my name is Cherie Isaac. I'm a Sophomore at  
Akula Ektroavuk. I am writing because I wanted to  
say that Senate Bill 36 is a wrong and it SHOULD  
NOT become a law. If the cities need more money, why  
are they taking it away from us? why aren't they  
looking for their money somewhere else? Most of my  
friends say that they will drop out of school if the  
bill passes because they will miss how school was before.  
If you people care about our education why are  
you people taking our money or making us to move  
somewhere else? Most of us want to stay here and  
be educated, or ~~a~~ wanting to be educated will just  
be a dream. Bilingual is REALLY important to me, and  
I don't want to lose it. How would I talk to my  
grandparents if they didn't understand English? How  
would you feel?

Imagine you were a student from LKSD and didn't  
want to be moved to another place. How would you feel?  
You wouldn't want it to happen to you, too, so why  
doing it to us? Why <sup>consider</sup> taking money from schools?

Cherie Isaac

Cherie Isaac

P.O. Box 135

Kasigluk, Alaska

99609



# STATE of ALASKA

Bethel Legislative Information Office

PO Box 888  
Bethel, Alaska 99559  
(907) 543-3541  
Fax: 543-3542

## Written Testimony for the Record:

TCN: 80363

Committee: Pub. Finance

Date: 2/27/98

Bill Number(s): SB 36

Subject(s): Public School Funding

Fap #  
465-2070

### Please enter my testimony into the record.

If you understand anything about rural education, then you could not possibly support this bill. I won't state the obvious (higher operations costs, etc) but I will explain what will happen to students if the funding is cut.

① Loss of Bilingual funds: When English second language students enter school, it is a lot easier for them to learn in their first language, then transfer the information to English. If we submerge them in English they become lost, isolated, confused, bored and withdrawn. That is a terrible way to spend thirteen years in school.

② People with a positive self-esteem do better in school and life. By teaching their language we give it value and that gives the student value and a positive self-worth.

Testifier's name (s):

Tari Lindquist

Box 73 Kasigluk AK  
Address

Representing (opt.)

Rural Student's

477-6326

Phone

Michael Demient'eff  
P.O. Box 76

Dear Legislators

Why are you going to take eleven million dollars? It is going to be bad to take money. We will have nothing to get for the school. We can't dance, travel, or go cross country for some of us to run and get some thing to make us happy.

sincerely,  
Mikey Demient'eff

TO Whom it may concern

3-9-98

My name is Maria K. Nicholas. A Freshman, having school in AKUIA ELITNAUR VIA LKSD. Trying to reach my goals, my dreams and get high education with my Family, my community and our own school. I want to have Yupik life skills, Yupik language, and the LKSD. We love our community our school and our friends in other schools. We don't want it destroyed. We are the ones who ~~are~~ <sup>want to</sup> have education in our own community and school. We don't want to be put down. We don't want to leave our family, our community and school to a bigger school because there, it'll be education and depression at the same time.

IF it does happen (school in Anchorage) Most students including me were thinking of dropping out. Because, it will never be the same. Even when our school gets poor David you guys see, we have dreams and goals to reach. We don't want them destroyed. We want education in our own place, with our family and trust ~~of~~ all our schools in LKSD. We want to be ~~like~~ like the ones that ~~had~~ <sup>had</sup> money. We will be, ~~so~~ we don't graduate welfare will be next. We want <sup>to</sup> have jobs ~~on~~. Those who were like "I don't want to go" really might not go and have no jobs and depend on welfare. We want our school, our community and

our education in our own schools.

~~Very~~ Sincerely,

Trevin K. Nicholas

P.O. Box 002

Kasigluk, AK - 99104-

P.S. I am against Senate Bill 36

~~\_\_\_\_\_~~

~~\_\_\_\_\_~~

~~\_\_\_\_\_~~

Golga Brink

Box 13

Kasigluk AK

99609

March 11, 1998

Dear Legislator:

I am a seventh grader  
at Akula Elithaurvik. Please  
don't take money away from our  
schools. We need to have a school  
in our village.  
Thank you.

Golga Brink

MARIE HOOVER

KASIGLUK-AKULA SCHOOL STAFF MEMBER

MARCH 13, 1998

To the 1998 Legislative Body,

This letter is in regards to the SB 36. Since I heard about this bill I feel like we, the people of the Yukon-Kuskokwim Delta, are waiting for an atom bomb to hit and wipe us off the face of earth.

I implore everyone who is involved in this bill to think a millionfold about the children. A massive number of children will be affected immensely. We love our children as much as you love your children and, we want them to get the best education they can get.

Please, don't hurt the education of our "rural children" anymore. They are already hurting with the huge amount of budget cuts. Let us know you all care about the education of all the children in the whole world, and not just the ones who live in urban cities. And what happened to the word "equality"? Or, did you decide to drop that word from your language.



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## Written Testimony for the Record:

TGN: 80263

Committee: EDUC. FINANCE

Date: 2/27/98

Bill Number(s): SB 36

Subject(s): Public School Funding

<sup>Fap #</sup>  
465-2070

### Please enter my testimony into the record.

This bill will cause schools to close in rural areas. We saw what happened to natives when they were sent away. They lost their language and felt inferior when they returned to their village. They lost parenting skills because they were not at home to observe. They lost subsistence skills because they were not at home to practice. They no longer fit into village life, but the city offered no family or friends. This loss of self caused many of the drug problems we have today. Let's not go backwards!

Tari Lindqvist  
Testifier's name (s):

Rural Students  
Representing (opt.)

Box 73 Kasigluk AK  
Address

477-6321  
Phone

To whom it may concern.

Hello! my name is Tatiana Nicholas  
of Kasigluk well we students don't  
wanna move to another village if we  
also <sup>we (some students)</sup> ~~to~~ ~~wanna~~ going to drop out of school  
because there will be too many people  
in that school and we won't be  
able to learn anything.

Why can't you people get the money  
from somewhere? I am <sup>not</sup> telling you people  
meanly. Well, we students don't want to  
drop out or move to another village  
because we like our school and our  
hometown.

Bilingual is really important to  
us people because if we lose it  
we won't be able to talk in Yupik  
really <sup>well</sup> ~~good~~.

What if you were having school  
and it went like this? you would feel  
bad and you wouldn't want to move so  
why is this happening?

Tatiana Nicholas

Tatiana Nicholas

Pb Box 600

Kasigluk AK 9916004

3-11-98

To whom it may concern,

Hi I'm Geraldine Tinker 15 years old and in Freshmen. I go to school at Kasigluk at Akula Elitnaurvik. I just like to have school here. If the Senate Bill 36 passes & I don't get to play basketball I will drop out, & so will the other people. Lots of people like going to school here at Akula Elitnaurvik. No one would like to move from their villages.

If those people from other schools want the money why take it from us? Let them get their own money from somewhere else. I am just sad here. I just want this school to stay.

If we lose our bilingual education in school for Yup'ik studies, how would we be able to talk to our grandparents. We speak to them in Yup'ik. I would like to learn more in school. I don't want to have school anywhere else. I am against Senate Bill 36.

is once again

Sincerely

I AM AGAINST

Geraldine Tinker

Geraldine Tinker

SENATE BILL 36

P.O. Box 98

Kasigluk, AK

99609

Charity Jackson  
PO Box 58  
Kasigluk, AK  
-99609-  
3/11/98

Dear Legislator:

I'm a student at Akula  
Elitnaurvik. And I heard that all the  
big schools are going to take  
half of the money we have in the  
school. When you take the money, we'll  
have no more of speaking our language  
in Yupik, school travel and all those you do  
to. Please don't take the money.

Charity Jackson

3-11-98

Dear Legislator:

Why do you want our money? We want to have the money too, because we want to travel. Last year I got first place in X-country at Goodnews Bay, Kweithluk, Bethel and Dillingham and I want to have more ribbons at our house. We can travel anywhere. Please don't take our money ok? I want to travel more and I want to see my friends. Please don't take our money? I want to have fun playing basketball, cross-country and N.Y.O. I'm going to Canada Yellowknife. I'm going on Friday March 13, to 22 1998.

Nicholai Nicholas

NORMAN NECK  
P.O. Box 118  
KASIGLIK A.K. 99609

Dear Legislators..

March 11, 1998

Why are you taking 11 million dollars from our school?  
I want school. I love sports, Eskimo dances, and I  
don't want to lose it all and I don't want to lose my school.  
education I'm a student of Akula Eliamavik. I'm in 7th grade.

Norman Neck

Paul Tinker  
Po Box 62 Kasiguk AK  
99604  
3/11/98

Dear Legislater:

Why are you taking 11 million from our district?  
Why does Anchorage or the other school need  
them? We need the money more because  
we don't want to move to another school also,  
we want to travel for sports, Eskimo Dancing and  
one thing we don't want is our school to close  
down.

Sincerely,  
Paul Tinker

Krystine Tinker

P.O. Box 81

Kasigluk, AK 99609

March 11, 1998

Dear Legislator:

My name is Krystine Tinker. I am 13 years old and in 7<sup>th</sup> grade. I go to school at Akula Elnaavik that is in Kasigluk. Please don't take away \$11,000,000 from the LKSD. We need the money also. If you take the money away from us we would have to quit doing sports and we'd have to quit traveling. So please don't take away that much money away from the LKSD.

Sincerely,

Krystine Tinker

Julian Tinker

Box 93

3-11-98

Dear Legislator:

My name is Julian Tinker. I go school in Akula Eitnaurvik in Hasigluk. Why are you people going to take money from the LRSD and give it to the big cities? We need the MONEY, not them. Because we need to dance, have sports, do school at home, and yupik.

Sincerely,

Julian

Tinker

Yeako W.

Box 11

3-11-98

Dear Legislators:

My name is Yeako Wasiile. I go to school at Akula Eitmarvik at Kasigluk. Can I ask you a question? Why are you taking 11 million dollars from our school and other places, and giving it to the cities?

Sincerely,  
Yeako



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## Written Testimony for the Record:

TCN: 80263

Committee: Public Finance

Date: 2/22/98

Bill Number(s): SB 36

Subject(s): Public School Funding

Fap #  
465-2070

Please enter my testimony into the record.

It is too obvious that to take funding away from rural schools will kill the quality of education that too many have worked for and will leave future generations of Alaskan rural students and educational and a spiritual deficit far greater than the financial shortage you feel you now face. At a time when cultural support should be at its peak. At a time when the birth of understanding how native Alaskan children learn best in a bilingual Waldorf At a time when culturally relevant materials

Testifier's name (s): Rohan Jamy

Representing (opt.): Laura Kuskoosm School District

General Delivery  
Address

907-4776615  
Phone

Fairbanks, Alaska  
99609  
are beginning to grow. At this time you want to take it away — Why?



# STATE of ALASKA

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Bethel, Alaska 99559  
(907) 543-3541  
Fax- 543-3542

## Written Testimony for the Record:

TCN: 80.363

COMMITTEE: Public Schools

Date: 2/27/98

Bill Number(s): SB 36

Subject(s): Public School Funding

Fair #  
465-2070

Please enter my testimony into the record.

Taking away funding from Alaska rural schools is an incredibly shortsighted thing to do. At a time when more funding should be allocated. Good Education requires an investment.

Robin Winkley

Testifier's name (s):

Lower Kuskokwim Schools  
Representing (opt.)

General Delivery

Address:

Fairbanks AK 99708

Phone

907-477-6615

March 11, 1998

Dear Randy Phillips,

My name is Serena Demientieff from Kasigluk, I am a junior here at Akula Elitnaurvik. I have been attending school here since my sixth grade year. Over the years I have learned a lot and have had many great experiences with my teachers and classmates. I do not understand why you want to take away this school from me and all the other students who attend Akula Elitnaurvik. If you are saying that only 85% of Alaskans are important and the 15%, which includes me, are not, you are a very rude man. You want to take me away from my family to pursue my education at a place I am not familiar with. I ask you to PLEASE not take away something that is very valuable to me and my community... our school.

Senate Bill 312 is not fair for those who live in the rural area. We are just as important as you and those who live in urban areas, so please think about those who will be affected by Senate Bill 312.

**FAXED**Sincerely,  
Serena F. Demientieff

P.O. Box 76

Kasigluk, AK 99609 (907)477-6514



3300 Arctic Boulevard, Suite 203  
Anchorage, Alaska 99503  
Phone (907) 562-7380  
Fax (907) 562-0438  
Email: [swamc@alaska.net](mailto:swamc@alaska.net)  
<http://www.alaska.net/~swamc>

March 20, 1998

Representative Con Bunde, Chair  
House HESS Committee  
Alaska State Legislature, M/S 3100  
State Capitol  
Juneau, AK 99801

Dear Chairman Bunde:

The Southwest Alaska Municipal Conference (SWAMC) is the regional economic development organization for Southwest Alaska, and represents over 150 members, including boroughs, communities, non-profits, and businesses in the region.

We are writing to express our opposition to SB36 in its present form. This bill will not only have a negative impact on our communities in Southwest Alaska, but on many other rural communities throughout Alaska. Our communities place a very high priority on education, and local government makes a significant contribution to public education funding. Many of our communities already assess a sales tax, a property tax, and those that are fisheries-based assess a local landing tax on fish delivered to local processing plants.

The communities of Southwest Alaska generate a tremendous amount of revenue for the State of Alaska. The legislation, in its present form, would penalize many hard-working communities that consistently contribute locally to education at a high level, and generate revenue for the State of Alaska.

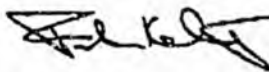
We strongly urge the Committee to take another look at this legislation. The proposed legislation will be disastrous to many rural school districts in our state. We believe it is time to increase state funding for education, and this bill doesn't do that. This bill takes dollars away from some of the most economically depressed areas of the state.

We believe it is time to demonstrate our commitment to the future of the children of the entire state of Alaska and the education they deserve to receive. Our children are Alaska's greatest resource. We strongly urge you to rework this bill and add more funding for education.

Kodiak Island ♦ Alaska Peninsula ♦ Bristol Bay ♦ Aleutian Chain ♦ Pribilof Islands

Attached are SWAMC's 1998 Legislative priorities, including our priority for a 3% increase for inflation to the FY98 level of funding for public education K-12.

Sincerely,



Frank Kelly  
President



Mary S. Stadum  
Executive Director

cc: Governor Knowles  
Senator Hoffman  
Senator Mackie  
Representative Moses  
Representative Ivan Ivan  
Representative Alan Austerman

SB 36

March 20, 1998

Legislators,

I am a Mother of 4, Community Member, School Board Member, Techniques in Alcohol Management Instructor (Tam), and also a General Manager year round of a Restaurant & Lodge in the Denali Borough. I am writing this because I have great concerns for all of our children's future.

Our Borough gave the School District money in 1993-1994, before they were required to (\$230,000.00). Which in the long run, as you all should know, takes away that much in state money. We are close to meeting the cap that the Borough can give us. This does not mean that the cap should be lifted altogether. What it does mean is that our Borough is helping us meet the inflation rate that the state has refused to meet in the last ten years. As a School District, Community, and Borough we are taking on the state's responsibility, as have other School Districts, Communities, and Boroughs across the State for some time now. The way I understand it the Municipalities and School Districts across the state got together and made recommendations to you. Why isn't any one listening?

I feel it is time for all legislators and constituents to get together across the state and start standing united for education for the children. It is your responsibility to find out exactly what has been cut in all these Schools. In our Borough we have cut 4 positions just in the last two years, including 1 in the District office.

In February I felt we would see additional funding from the state for education, I no longer feel that way. I feel that you are wasting precious time and tax payer dollars on CSSB 36, when it looks like the Governor will veto it. Alternatives could be as simple as giving \$1000.00 more per unit and each year following a percentage increase for inflation. You could look at any future increase in the PFD amount and designate that for the education of our children. In all honesty who could really fight that position? It's free money that Alaskans get, and any increases should go to our children's education. I do not see anyone considering a cap on the PFD Check.

Please listen to everyone across the state and not just your own constituents, don't worry about your votes from your own area. Pay attention to all the state's children and you can not go wrong, I believe then you will get the votes you need. Please stand together, ultimately you are representing all of us across the state.

Thank you again for all the hours you give to us, and the time you put into reading this letter.

Eddie Mercer  
P.O. Box 498  
Healy, AK. 99743-0498  
emercer@mail.denali.k12.ak.us  
907-683-2821-Home  
907-683-2243-Fax



KETCHIKAN GATEWAY BOROUGH

RESOLUTION NO. 1395

A RESOLUTION OF THE ASSEMBLY OF THE KETCHIKAN GATEWAY BOROUGH, ALASKA, ENDORSING THE HOUSE AND SENATE LEADERSHIP POSITION ON SPECIFIC ISSUES; AND PROVIDING FOR AN EFFECTIVE DATE.

RECITALS

A. As the elected representatives of the Ketchikan Gateway Borough the Assembly is aware of the complexities and tribulations involved with satisfying the needs of all constituents while working to promote the general welfare.

B. The House and Senate Leadership of the Twentieth Alaska State Legislature has dedicated itself to "Continue the Commitment that's working for Alaska" as detailed below:

- (1) Keeping Alaska's Children Safe and Healthy - protect Alaska's children by addressing Alaska's child safety issues including management problems in the Division of Family and Youth Services;
- (2) Excellence in Education for Alaska's Children - encourage greater parental control, choice, and involvement and give Alaska's children an equal opportunity to learn and succeed;
- (3) Live within our means - close the fiscal gap by 2001 by implementing the third year of the five-year fiscal plan to stop deficit spending, base government spending on results and prioritize necessary government functions and reward what works, require efficient and cost effective government programs by reviewing areas in state government that can be better operated by the private sector, create and implement a plan to fix and preserve Alaska's schools, university, airports, harbors, roads, and buildings.

NOW, THEREFORE, IN CONSIDERATION OF THE ABOVE FACTS, IT IS RESOLVED BY THE ASSEMBLY OF THE KETCHIKAN GATEWAY BOROUGH, ALASKA as follows:

Section I. The Assembly hereby endorses the House and Senate Leadership positions, in concept, with regard to:

- 1) Education reform through placement of a priority on reforming the Foundation Formula along the general concepts promoted through Senate Bill 36.
- 2) Implementation of the 5-year Financial Plan to close the fiscal gap by 2001, reducing the size of State government through responsible reductions, and increasing revenues through continued economic and resource development.

- 3) Finding long-term maintenance solutions by identifying the entire scope of Alaska's on-going maintenance needs and the methods of payment to be considered; and establishing criteria and priorities for the long-term maintenance of all state-owned facilities, transportation systems, schools and the University. Support implementation of the Deferred Maintenance Task Force Report.
- 4) Placing a priority on transportation access by promoting a long-term viable operation of the Alaska Marine Highway and working with local governments to find efficiencies in operation of the system.
- 5) Promote safe neighborhoods by emphasizing juvenile justice reforms, increasing parental rights and responsibilities, and protecting domestic and child abuse victims. This would include support for the Ketchikan Youth Detention facility and addressing the State's current lack of adequate prisons and jail.

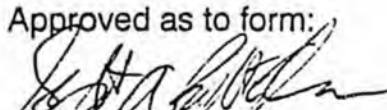
Section 2. The Borough Clerk is directed to send copies of this resolution to Speaker of the House Gail Phillips, Senate President Mike Miller, House Majority Leader Brian Porter, House Majority Whip Richard Foster, Senate Majority Leader Robin Taylor, House Majority Whip Randy Phillips, Representative Williams, and Borough Lobbyist Geoffrey Bullock.

Section 3. This resolution is effective upon adoption.

ADOPTED this 16th day of March 1998.

  
 \_\_\_\_\_  
 BOROUGH MAYOR

ATTEST:  
  
 \_\_\_\_\_  
 BOROUGH CLERK

Approved as to form:  
  
 \_\_\_\_\_  
 BOROUGH ATTORNEY

EFFECTIVE DATE: 3/16/98			
ROLL CALL	YES	NO	ABSENT
COOSE	✓		
COYNE	✓		
ELKINS	✓		
MARTIN	✓		
TIPTON	✓		
VAN HORN	✓		
YETKA	✓		
MAYOR (Tie Vote Only)			N/A
4 AFFIRMATIVE VOTES REQUIRED FOR PASSAGE			

March 18, 1998

To our esteemed servants of the State:

My name is Paul Frost, I live in Togiak, Alaska and have three boys who attend the high school here. I own a house in the Hanson Acres Subdivision and Harris Acres Subdivision behind Geneva Woods both in Anchorage, thus I pay taxes for the schools. I was born and raised in Anchorage in 1954 and graduated at Dimond High and still believe that I am a constituent of Anchorage legislators.

For the last six years my family and I have lived here in Togiak. I am the Pastor of the Togiak Baptist Mission and my wife is the Music Minister. We have been blessed to work with the Youth of this community, grades 7-12, three times a week, averaging about 30-40 depending on school activities.

The adults of most villages realize that our culture and way of life is dying. History dictates that when two cultures collide there will be casualties. It seems that much fighting is going on over issues of sovereignty and subsistence etc.... Because I was born, raised and educated in Anchorage, but now live in Togiak, I can clearly see and understand the differing view points. We understand the difficult work that our rural legislators have before them and give them our support.

I must admit that I question the effectiveness this letter will have when television clearly tells us that money speaks louder than words. But I pray that these words will find their mark in the hearts and wills of you who are reading them.

I ask that you reconsider your position on taking millions of dollars away from rural schools and giving the money to urban schools. When I heard the newscaster on channel 2 news informing us of our plight in her next breath she stated that millions would be spent on building new prisons. The Anchorage Daily News wrote many articles a few years ago about how native peoples of Alaska routinely get longer jail sentences, make up only about 1% of the population within the State but comprise 48% of Alaska's inmates.

We have no jobs in bush Alaska. Welfare, social and State programs have been and are being cut. Our school in Togiak was built back in 1952 and since then has had a few add-ons and cubicals brought in from Adak. Our school is falling apart, leaking and beginning to be a safety hazard. Build us a new school and send your children as boarding students here. When they grow up away from their parents, in our culture, they will grow up a little less biased a little more vision, alot more caring.

Please do not let our children be the casualties in your paper war. Please do your best to think long term. Education and a good home life, with your parents is the major key to becoming productive citizens in the 21st Century. Please think of a better way than creating more divisions. You become the catalyst in the process of healing by your planning long term for ALL peoples and Your Vote.

Very Truly Yours,

*Paul Frost*  
Paul Frost

P.O. Box 148 Togiak, Alaska 99678

P.O. Box 211  
Togiak, AK. 99678  
March 18, 1998

Our Honorable Senators and Representatives.

I am writing with a concern that affects my children and my community.

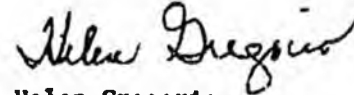
In rural villages, everything from actual learning to many other community activities, happen at the local school. In most villages the school is the largest building for community gatherings, such as the Family Wellness Conference held here in October, 1997. There are no other buildings in the community that would have housed over 300 people that came to attend the workshops and evening activities. The school provided classrooms that helped bring people together for a common good.

The school also supports and provides a well rounded education for our children. My children, a freshman and another a junior in high school, are doing very well. One very important incentive is extra curricular activities for which students have to be eligible to participate, such as basketball. These incentives help re-enforce what I'm teaching at home. For instance, there are certain activities and behaviors I do not want my children to be involved that I believe to be unhealthy and destructive. The school has rules and consequences for these activities that help re-enforce my teachings. The school works with me to help prevent what could be a community problem in the future.

Our ancestors traveled with the seasons and many of their children, our parents, never got to attend school. Today, we KNOW our children's education is very important and want to keep it a priority. Our school in Togiak allows our children to get an education and be able to learn and experience their Yupik culture, locally.

Please continue to fund public schools in rural villages. They are our life-line to the rest of the world.

Sincerely yours,



Helen Gregorio,  
Concerned Parent

Post-It® Fax Note	7671	Date	3-18-98	# of pages	-1-
To	H HESS	From	Cillinehan L/D		
Co/Dept	SB 36	Co			
Phone #		Phone #	842-5319		
Fax #	465-3891	Fax #			

TOTAL P.03

TOTAL P.03

## Tax Authority

The second argument used by sponsors of the legislation to justify proposed Foundation Formula changes hinges on the perceived ability of the North Slope Borough to pay more for education.

To understand the fallacy of this argument, it is necessary to understand the limitations on taxing powers within the State of Alaska property tax laws.

Alaska Statutes limit the authority to collect taxes to a maximum levy not to exceed 3 percent (or 30 mills) of the full and true value of property in any one year for operations.

Because of the size of the Borough's tax base in relationship to its population, its authority to collect taxes for operations is further limited by Alaska Statutes 43.56 and 29.45, to one of two methods for calculating maximum property tax revenue to be used for its operating budget.

The first method sets the property-tax revenue ceiling at the Borough's population multiplied by \$1,500; the second method sets the ceiling at 3 percent (or 30 mills) times 225 percent of the average per capita assessed full and true value of property in the State multiplied by the Borough's population. \*

For the North Slope Borough that amounts to a maximum mill levy allowable of 5.31 mills for FY97 for operations, including education.

It is necessary to separate any analysis of debt-service obligations and the associated revenue sources from an analysis of the Borough's financing of its annual "operating" budget.

Alaska Statutes directly address the issue of taxation limitations related to the repayment of bond obligations. AS 29.45.100 states there are no "limitations on taxes to pay bonds. The limitations provided for in AS 29.45.080-29.45.090 do not apply to taxes levied or pledged to pay or secure the payment of the principal and interest on bonds. ..."

By fax 3 pgs: 465-3871

To: Lyn - HESS Committee

from: Beeky Gay - NSB

Please distribute this to your Committee re: SB36.  
Thanks for your time on the phone. Beeky.

## NSB Tax Limit Calculations

Average Per Capita Full Value (\$72,080)

X 225% (2.25)

X NSB Population (13,243)

Assessed Value Limit for Operating Budget (\$2,147,749,740) - *statutorily set for NSB!*

Assessed Value Limit (\$2,147,749,740)

X .30 mill limit (.03)

Statutory Limit for Taxes for Operating Budget (\$64,432,492)

Statutory Limit for Taxes for Operating Budget (\$64,432,492)

/ Actual Assessed Value (\$12,130,115,480)

**Maximum Mill Levy to Satisfy Operating Budget (5.31)**

Stated another way, as a result of the Statutory formula, the 30 mill levy limit is computed to an actual mill levy of 5.31 which is the maximum allowed by Statute for operations.

This operations levy is then added to the debt service levy (necessary to repay bonded indebtedness) to arrive at the total millage rate for the North Slope Borough.

The 5.31 mill levy is equivalent to a 30 mill levy assessed against the maximum Per Capita Full Value allowed under the current Tax Statutes.

See Table 3 for a breakdown of the actual mill rate for the prior four years.

## NSB Mill Rate Calculation and History

The following table shows the calculation of the maximum tax revenue that can be collected for NSB operations, and its relationship to the current 18.5 mill rate levied by the Borough.

The current Mill Rate Limit Calculation has the following main components:

Average Per Capita Full Value X 225% X Municipal Population =  
Assessed Value Limit for Operating Budget

Assessed Value Limit X 30 mill limit (3%) =  
Statutory Limit for Taxes for Operating Budget

Statutory Limit for Taxes for Operating Budget / Actual Assessed Value =  
Maximum Mill Levy to Satisfy Operating Budget

**Table 3. North Slope Borough Mill Levy FY93 - FY96**

	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>
General Government	3.06	3.48	3.77	3.67
Education	1.93	1.30	1.29	1.34
(Total Operations Levy)	(4.99)	(4.78)	(5.06)	(5.01)
Debt Service Levy	13.33	13.72	13.50	13.51
Total	18.42	18.50	18.56	18.52

Any adjustment to the Foundation Formula which reduces funding for the North Slope will have to be made up from the approximately 5 mills allowed for operations.

To even suggest, as SB 36 proposes, that the Borough allocate 4 or 4.5 mills to education, leaving only between .5 and 1 mill for operation of the rest of the government is incomprehensible.

Since the portion of the mill levy dedicated to repayment of bonded indebtedness cannot be used for operations (under AS 29.45.100), the Borough cannot use that portion to fund education.

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101


130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

## MEMORANDUM

March 25, 1998

**SUBJECT:** Public school funding - (CSSB 36(FIN) am)

**TO:** Representative Con Bunde  
Attn: Lynne Smith

**FROM:** Michael F. Ford   
Legislative Counsel

You have asked me to review certain materials that cite case law to determine if CSSB 36(FIN) am raises any constitutional issues. I have reviewed those materials and, as explained in this memo, I believe that the bill would survive a court challenge based on constitutional grounds.

Under article VII, section 1, of the Alaska Constitution the legislature is required to "establish and maintain" a system of public schools. This provision imposes a constitutional mandate on the legislature to provide a system of public schools. Macauley v. Hildebrand, 491 P.2d 120, 122 (Alaska 1971). This provision also gives the children in Alaska a right to a public education. Breese v. Smith, 536 P.2d 793 (Alaska 1972). The means chosen by the legislature to carry out this mandate has been the subject of considerable litigation. A brief historical review of the state's public school system is helpful to understanding the constitutional requirements at issue.

When Alaska attained statehood a dual system of education existed. The Bureau of Indian Affairs operated schools for Alaska Natives and the territorial legislature provided schools for Alaska students living in urban areas. Efforts were made prior to statehood to unify the two systems, but failed largely due to the inability of the territory to assume financial responsibility for rural schools. In urban areas, both Native and nonnative students enrolled in local high schools. In rural areas, students who wanted to attend high school had to move to an urban area or, if a Native, had the right to attend boarding school at Mt. Edgecumbe.

Following statehood, the legislature established the Alaska State Operated School System (ASOSS). Under ASOSS the state opened three regional high schools, in Nome, Kodiak, and Bethel. However, as of 1973 there were no secondary schools or no daily transportation to such schools in 145 rural communities across the state. In Hootch v. Alaska State-Operated School System, 536 P.2d 793 (Alaska 1975), the Alaska Supreme Court addressed the question of the interpretation of the right to a public education granted under article VII, sec. 1, of the Alaska Constitution. Specifically, the lawsuit sought to compel the state to

provide secondary schools in rural communities in which the plaintiffs resided. The court examined the constitutional history of the provision and concluded that the phrase "a system of public schools open to all children of the state" does not require a uniform system of public education. The court also noted that under the Alaska Constitution different educational opportunities in some areas of the state were expected, given the vast expanses and diverse culture and heritage of its citizens. For example, boarding, correspondence, and other educational programs were acceptable options, however all options need not be available to all students. Hootch at 803. Therefore, the plaintiffs claim to a constitutional right to attend secondary school in their rural community was rejected by the court. Hootch, at 805.

Following the Hootch decision, the state settled another case, Tobeluk v. Lind, 589 P.2d 873 (Alaska 1979). This case also raised the constitutional issue of the provision of secondary schools in rural communities. The state settled this case by entering into a consent decree, whereby the state agreed to undertake a multi-million dollar construction program designed to build secondary schools in 126 rural communities. The consent decree, known as the Tobeluk consent decree, specified building and renovation plans for each community. As of 1989, the state had expended over 179 million dollars on new schools in rural communities under this decree.

In 1987, the legislature rewrote the formula that determines funding for public schools (AS 14.17). As a part of that rewrite, a local contribution was imposed on city or borough schools districts. The local contribution was the equivalent of a four mill levy on real and personal property or 35 percent of the district's basic need. No local contribution was imposed on R.E.A.A.s. Individuals living in the Matanuska-Susitna Borough brought suit claiming that the local contribution provision (AS 14.17.025) violated their rights to equal protection under article I, section 1 of the Alaska Constitution. Specifically, they alleged that because no local contribution was required in an R.E.A.A., that they were unfairly taxed for public schools. In Matanuska-Susitna Bor. v. State, 931 P.2d 391 (Alaska 1997), the court rejected the equal protection argument and held the formula was constitutional. In this decision the court described the authority of the legislature in creating a public school system. The court indicated that the legislature has wide latitude to fashion a public school system even when the "means chosen may happen to have severely disparate impacts on certain classes of taxpayers." Matanuska-Susitna Bor., at 402.

This view goes directly to another issue, that being the effect of CSSB 36(FIN) am on the North Slope Borough. Under CSSB 36(FIN) am the North Slope Borough would not be receiving state funding for public schools, because their four mill local contribution would exceed the amount that they would get (under AS 14.17) in state aid. This issue was also addressed in Matanuska-Susitna Bor. v. State. The court examined the existing local contribution requirement, that a district contribute the lesser of 4 mills or 35 percent of basic need. The court noted that while there were tax disparities between a district contributing 4 mills verses a district contributing 35 percent of basic need, that formula protected against

Representative Con Bunde

March 25, 1998

Page 3

excessive contributions by some districts and furthers the statutory purpose of providing statewide educational opportunities. The court further stated that even "if a one hundred percent cap might have accomplished this goal in a manner that would have treated taxpayers more equitably, the thirty-five percent cap still furthers the purpose of the statute." In short, the court recognized exactly the type of local contribution requirement imposed under CSSB 36(FIN) am, as a more equitable taxing formula. Therefore, I do not think that the fact that the North Slope Borough gets no state dollars due to the local contribution requirement is, by itself, a constitutionally defective flaw.

It is also instructive to note that the concurring opinion of Justices Matthews and Rabinowitz indicated that claims of unequal state spending or of inter-jurisdictional tax inequality were not matters for judicial review. That these issues were exclusively political and legislative. Matanuska-Susitna Bor., at 406.

This gets to a broader question. What are the constitutional constraints applicable to the legislature's mandate to provide public schools? Under article VII, section 1, of the Alaska Constitution the legislature has a duty to provide a system of public schools. As seen from the prior cited opinions, the legislature has wide latitude to accomplish this duty. Could the legislature require all students to attend school only in Fairbanks? No, I think this would clearly violate article VII, section 1. I believe that some reasonable access to public education must be provided by the legislature in both urban and rural areas. This does not mean each community in the state must get the same or a uniform system of schools. The question of how to provide public education in the state is a complex one involving many policy issues. The Alaska Supreme Court has recognized this and ruled that so long as the means chosen bears a fair and substantial relationship to the goal of establishing and maintaining a system of public schools, it is constitutionally sufficient. Matanuska-Susitna Bor., at 399.

One issue repeatedly focused on by the courts in upholding or striking down public school funding programs is the existence of evidence showing a significant and overall disparity in benefits and burdens. See Matanuska-Susitna Bor., at 398. Under the existing education formula, AS 14.17, the disparity between the wealthiest and poorest school district is 23 percent. Under CSSB 36(FIN) am, the disparity is 19 percent. While this factor is not determinative of constitutionality, it does indicate that CSSB 36(FIN) am falls within constitutionally acceptable boundaries and the issues contained in the bill are political questions, not legal ones.

For the above reasons, I believe that CSSB 36(FIN) am would survive a constitutional challenge.

Please contact me if you have further questions.

MFF:jdr:glc  
98-193.jdr

KASAYUWE  
V. STATE

1997

CSSB 36(FIN) -- CONSTITUTIONAL CONCERNS

The Alaska Constitutional duty to "maintain a system of public schools open to all"

- Under the Alaska Constitution the legislature is required "by general law" to "... maintain a system of public schools open to all children of the state." No other unit of government shares that responsibility or authority. Alaska Constitution, Art. VII, Sec. 1; Macaulay v. Hildebrand, 491 P.2d 793 (Alaska 1975).
- The legislature's constitutional duty to "maintain a system of public schools open to all" suggests that a lawsuit against the legislature might be maintained if funds available to an Alaska school district are insufficient to pay for a level of education that meets standards of minimal adequacy. Matanuska-Susitna Bor. School Dist. v. State, 931 P.2d 391 (Alaska 1997).
- The Molly Hootch decision did not require that the legislature establish the comprehensive community-based system it has, in fact, established. Now that the initial requirement to "establish" a system of public schools has been met and the pattern of that system has been set, the constitutional focus may now be whether the legislature has a duty to "maintain" that system. A trademark of the system is to reach for statewide equality of educational opportunity, which the legislature may not be able to achieve without unequal educational funding. Butt v. State, 842 P.2d 1240 (Cal. 1992).
- Although the Alaska Supreme Court has not determined that education is a "fundamental right" in Alaska under the state Constitution, educational opportunity should not be controlled by "the fortuitous circumstance of residence." A system for financing schools must have some rational relationship to the educational needs of children. Tennessee Small School Sys. v. McWherter, 831 S.W.2d 139 (Tenn. 1993).
- Although the constitution does not require absolute equality of funding among districts and absolutely equal expenditures per pupil are not constitutionally required, the legislature's duty to maintain a system of public schools may imply that students in poorer districts ought not to be unreasonably deprived of educational opportunity, that educational opportunities ought to be substantially equal from one district to another, and that districts ought to have the capacity to raise revenue per pupil in amounts similar to other districts. Edgewood Indep. Sch. Dist. v. Kirby, 777 S.W.2d 391, 397 (Tex. 1989); Horton v. Meskill, 486 A.2d 1099 (Conn. 1985).

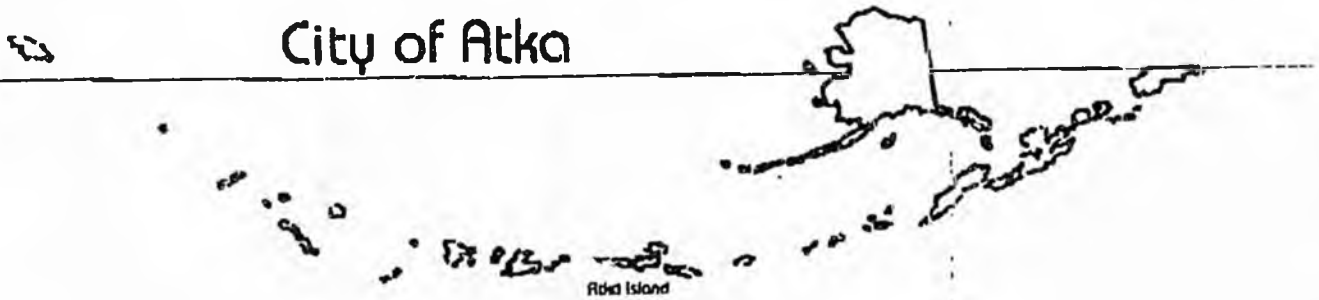
Equal protection issues

- The disparate treatment of public school students in one region of the State (the unorganized borough), as caused by the drastic cuts in funding to Regional Educational Attendance Areas under this bill, which are imposed for the stated purpose of conferring an economic benefit on similarly situated students in

another region of the State (municipal districts), may violate the REAA student's right to equal protection under art. I, sec. 1 of the Alaska Constitution. State v. Enserch Alaska Const. Inc., 787 P.2d 624, 634 (Alaska 1989); Lynden Transport, Inc. v. State, 532 P.2d 700, 710 (Alaska 1975).

- The disparate impact on the state funding of public education which results from this bill's redistribution of school funds away from schools with predominately Alaska Native students to schools with predominantly white students may be a prohibited discriminatory practice under the State Human Rights Act, and specifically may be a violation AS 18.80.255 as an unlawful allocation of state funds for public education based upon race. Thomas v. Anchorage Telephone Utility, 741 P.2d 618, 628-629 (Alaska 1987).
- The fact that the amendments to the foundation program accomplish a fundamental redistribution of state public school funds away from districts with predominantly Alaska Native students to districts with predominantly white students may be a violation of the Federal Civil Rights Act of 1964 in its application to programs receiving Federal financial assistance from the Department of Education, (34 CFR Part 100). Campaign for Fiscal Equity v. State, 616 N.Y.S. 851 (Sup. 1994).

# City of Atka



March 20, 1998

House HESS Committee  
Capital Building  
Juneau, AK 99801

Dear Representatives:

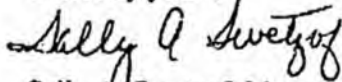
I am writing on behalf of the City Council and community of Atka to express our strong opposition to SB 36 in its present format. This bill will have a serious negative impact on the Aleutian Region School District and other rural districts around the state. The current version of the bill would reduce State aid to our district by 5.5% or \$65,394. A reduction of this magnitude combined with past funding deficiencies would seriously impair our district's ability to provide a quality education to our children.

We also oppose any limits on non-instructional activities. While such limitations may be appropriate for school districts with large student bodies, it is totally unrealistic for small rural districts with higher per student non-instructional costs.

The cumulative effect of these Draconian measures may result in the closure of the Atka school. We are struggling now to stay afloat--additional cuts may destroy us. Do you seriously suggest that we home school our 25 students?

In conclusion, I would strongly urge the committee to reconsider this legislation. It is time to increase state funding for education, not decrease it. Time to think about the future of Alaska children throughout the State.

Sincerely yours,

  
Sally A. Swetsof, Mayor

March 25, 1998

Dear Legislators,

On Saturday, I heard one of the Senators say, "Tell us how to fix the foundation formula." I have also heard the remarks that this new formula is based on the Alaska School Operating Cost Study. Apparently, my reading of this study is different from that of the legislators because I see some glaring differences between the new formula and the recommendations of the McDowell Group.

First, SB36 does not allow for the Location Multiplier. I understand that you want to get rid of the Area Cost Differential because it is used to justify higher teacher pay. However, it does cost more to run a school in Eagle than it does to run a school of the same size in Anchorage, assuming that such an anomaly as a small school in Anchorage was allowed to exist. Assuming that we use Anchorage as the base, then some should be added to our cost of doing business. For example, along the Railbelt the cost of a kWh is \$.09. In the rural areas, we pay over \$.40 and we will lose all our subsidies if Sen. Murkowski has his way. We have to pay shipping costs which significantly increase the cost of the same textbook if it were purchased by the Anchorage School District. I could go on, but suffice it to say that it costs a lot more for operating and maintenance than in Anchorage. You can correct this oversight by adding a nonpersonal services multiplier of at least 2.00 for schools that are in areas without road access during the school months.

Second, since you have put us in the same funding situation as a charter school, I suggest you allow the rural schools to assume more of the responsibility for how our funding is spent. Let us buy back some of the services offered by the central office in our district. I would buy more than our share of the technical expert's (John Rusyniak) time, because he has been so valuable to our school, but I would buy back none of the maintenance administrator's time since we get practically no services from him and I would pay our local custodian more. I would pay for the services of the bookkeeper, but not much for the special programs administrator. Give us more direct control of our funds at the local level.

Third, why are the base student allocation on page 8, line 14, and page 28, lines 25 & 26 different? We need more money per student, not less, whether we are in Anchorage, or Fairbanks, or Eagle.

Finally, your estimate of what you think the local communities can contribute is completely unreasonable. They can't and won't if they could pay more property tax. I have several suggestions, but the school bus is arriving since it is 7:45 and I am out of time. I don't get another time without students until 3:00, so you will just have to do the rest of the job yourself.

Sincerely,

*Ann Alley Millard*



WHEREAS, Passage of Senate Bill 36 will cripple villages who are already experiencing and economic disaster from recent fishery industry failure and lack of job opportunities; and

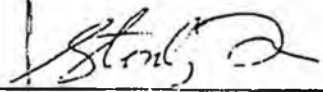
WHEREAS, The passage of this bill will certainly have long and drastic effects on the operation of Rural School Districts and the support and assistance in all areas of education provided for the children of Village Alaska and worst yet, it will also halt the enormous academic progress of the children living in REAA regions in areas of mathematics, reading, and writing halt the advancement of knowledge's, skills and abilities of children and their future contribution to the general well-being and economy of Village Alaska; and

WHEREAS, The REAA School Districts are working together diligently and successfully to support and assist in the process.

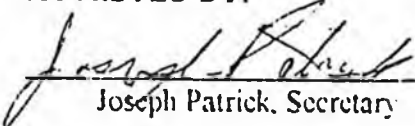
NOW, THEREFORE, BE IT RESOLVED that the Tribal Council of the Native Village of Newtok respectfully implores and requests the Alaska State Legislatures to reconsider its position and action toward the children of Village Alaska; and

BE IT FURTHER RESOLVED that the Tribal Council of the Native Villages of Newtok goes on the record to oppose the passage of Alaska State Senate Bill No. 36 by the Alaska State Legislatures.

ADOPTED AND SIGNED this 25<sup>th</sup> day of March, 1998 by the Newtok Traditional Council at the duly called meeting where quorum was present with 8 voting in favor and 0 against the measure.

  
\_\_\_\_\_  
Stanely Tom, President

ATTESTED BY:

  
\_\_\_\_\_  
Joseph Patrick, Secretary





# TELECOPY COVER SHEET

## Fairbanks Legislative Information Office

Office - (907) 452-4448

Fax - (907) 456-3346

TO: LINDA HESS FAX: \_\_\_\_\_ PHONE: \_\_\_\_\_

FROM: FBX LIO PHONE: \_\_\_\_\_

INSTRUCTIONS: Written testimony for SB36 teleconference  
o.k. 3/26/98

RECEIVED: Date \_\_\_\_\_ Time \_\_\_\_\_

SENT: Date \_\_\_\_\_ Time \_\_\_\_\_

DISPOSAL OF ORIGINAL: Discard \_\_\_\_\_ Hold for Pickup \_\_\_\_\_

NUMBER OF PAGES: 2 (Not counting cover sheet)

SENT BY: Fran



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the HESS

Committee on CSSB 36(FIN)am Dated 3-10-98

Committee Name  
Bill / Subject

Good afternoon, My name is Kathy Sikorski, I was born, raised, and schooled in Fort Yukon, and was fortunate enough to have escaped being sent away to be schooled elsewhere -- somewhere I could have been exposed to abuse or some other horror... horror stories I have heard from those who had been sent away.

I don't agree with this bill because of the many negative impacts it could pose on the rural schools. My ancestors come from Arctic Village <sup>(AV)</sup> -- a very small school but with a strong bilingual program, utilizing community support. If these students had to be sent to someplace like Fort Yukon, where the bilingual program is floundering, I believe the AV students would lose their language and culture. As you know, language and culture can not be separated. This bill seems like another way of trying to assimilate rural with city (Native vs. white) without taking into account the potential consequences.

SIGNED: Kathy Sikorski  
Testifier

Representing  
4081 Stillwater Ct, Fox 4747875  
Address / Phone Number



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the Health, Education, and SS  
 Committee on Senate Bill #36 Committee Name  
Dated 3-25-98  
 Bill / Subject

I oppose Senate Bill #36. It is a blatant grab at funding that results in an unfair and racist reallocation of school funding. This bill will have the result of robbing rural (= Native) districts of millions of dollars of needed funds. I honestly can not understand why this legislature believes it is legitimate to remove funding from districts already struggling to provide a meaningful education to our children.

SIGNED:

Patrick E. Marlow

Testifier

Representing

Box 83683 Fairbanks 99708 458-0913  
 Address / Phone Number



**VALDEZ CHAMBER OF COMMERCE**  
**RESOLUTION 98-02**

The Valdez Chamber of Commerce, representing 230 members doing business in Valdez, Prince William Sound and in part the Greater Copper Basin are concerned for the quality and cost of education of students;

**WHEREAS;** the leaders of our communities, states and our nation are the youth of today and,

**WHEREAS;** the primary resource for our youth is the quality of the education and,

**WHEREAS;** the rural communities of the State of Alaska have a greater volume of obstacles to overcome to provide education and,

**WHEREAS;** the reallocation of dollars as presented in HB36 redirect the majority of state funded education dollars to urban areas and,

**WHEREAS;** this reallocation is representative of a decrease of 1.8 million dollars annually or 28% of the current dollars received by Valdez from state funded education dollars and,

**WHEREAS;** the City of Valdez currently pay 50% of the cost of education of its students (second highest in the state) and,

**WHEREAS;** we recognize the efforts to put an equal percentage of dollars in locations with like percentage of students and,

**WHEREAS;** we recognize the areas with a higher percentage of students also have a broader base to derive alternative funding sources than most rural areas and,

**WHEREAS;** all areas of the State of Alaska have value and should have equal opportunity to provide quality education to the youth of our state and,

**WHEREAS;** the burden of replacing lost state funding for Valdez will be borne in majority by the businesses of this community and,

**WHEREAS;** these businesses have experienced a steady decline in the economy for the last three years and will find it difficult to meet the financial requirements to fund the 1.8 million dollars needed annually;

IT IS HEREBY RESOLVED, the Valdez Chamber of Commerce strongly opposes this bill and request a more equitable funding base for education for all the youth of Alaska.

Signed and dated at Valdez, Alaska this 19th day of March, 1998.

Rich Nielsen  
Rich Nielsen, Chairman VCC  
Manager for BP Shipping, USA

Sandra Bittner  
Sandra Bittner, Director VCC  
Owner Sandra's Gold & Silvermithing

Michael E. Easley  
Michael E. Easley, Vice Chairman VCC  
Manager Engineering Services  
Copper Valley Electric Assoc.

Kurt Hallier  
Kurt Hallier, Director VCC  
Port Operations Manager,  
ARCO

Randy Maag  
Randy Maag, Past Chairman VCC  
General Manager Petro Star Valdez

Stacey Mitchell  
Stacey Mitchell, Secretary VCC  
Owner Aurora Charters

Connie L. Stephens  
Connie Stephens, Treasurer VCC  
Manager Beaver Sports

Dave Beck  
Dave Beck, Director VCC  
Manager Ketchum Air Services

Douglas Desorcie  
Douglas Desorcie, Director VCC  
Dean of Instruction, Prince William  
Sound Community College

# Rural Alaska Community Action Program, Inc.

March 27, 1998

Representative Con Bunde, Chair  
Health, Education & Social Services Committee  
Alaska House of Representatives  
State Capitol - MS 3100  
Juneau, Alaska 99801-1182

Re: Senate Bill No. 36

Dear Chairman Bunde:

The Rural Alaska Community Action Program (Rural CAP) is a statewide organization whose Board of Directors is comprised of representatives from each of the regional Native non-profit corporations and members from Alaska's public and private sectors. The purpose of this letter is to place the Board's position on Senate Bill 36 on the public record. As you know, Senate Bill 36 addresses the funding of Alaska's public schools.

Senator Randy Phillips has said that the bill will achieve "simplicity, equity and accountability." We believe the real issue is that urban schools are demanding more money for their operations and administration, while rural schools are saying that current funding from the Legislature is inadequate to cover their needs. At the same time, the legislative majority is in the middle of its five-year plan to cut the State's operating budget.

We believe Senate Bill 36's true goal is not "simplicity, equity and accountability." If it were, the Legislature would approve an *increase* in funding of education in *both* the rural and urban areas of the State. Instead, the Legislature is proposing to take money from one area of the State and give it to another area. In short, the proposed changes to the education foundation formula are nothing more than a redistribution of existing dollars in a fashion that is rapidly creating divisiveness among all of Alaska's citizens.

We live in one of the richest states in the nation with among the lowest of resident populations. We are the only state that does not impose an income tax. We are a state that has over \$23 billion dollars in savings. It is therefore stunning to see the Legislature proposing to cut funding for our children's future in a manner that, if it is carried out as proposed, will have the effect of undermining our education systems in drastic ways. This is not right, it is not simple, it is not equitable and it shows that the Legislature does *not* feel any need to be accountable to rural residents who have children in school.

The assets that need protection are our children. They are Alaska's greatest assets -- yet this Legislature proposes to treat them as troublesome liabilities. The impacts of Senate Bill 36

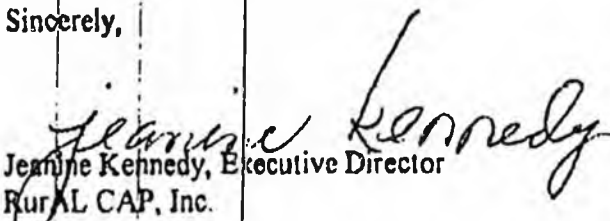
Rep. Con Bunde  
March 27, 1998  
Page 2


would be devastating. Teacher/student ratios would rise if the proposed 1.5 positions are cut from small rural schools. If 1.5 positions were cut from East Anchorage High School, for example, it would mean the redistribution of students among dozens of classes. When you cut 1.5 positions in a village school, it could mean one teacher, instead of two, would be responsible for teaching 43 students in one class that included children from Grades 1 through 12.

We view the proposals contained within Senate Bill 36 as examples of poor public policy. This bill would make the poorest of Alaska's poor pay for education in communities that contain people with greater advantages in the way of infrastructure that ultimately benefits local schools. Is it "fair" or "equitable" that the children who need the most help, who have the lowest test scores, who live in the most poverty, are the ones who would lose the most? Is it fair to take opportunities from one child in order to provide an even greater advantage to another child?

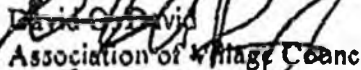
We hereby request and urge that the Legislature consider carefully the impacts of what you are doing on the whole state. What may serve in the short term politically is short-sighted socially. Thank you for this opportunity to share the views of the Board of Directors of the Rural Alaska Community Action Program, Inc.

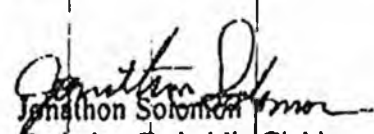
Sincerely,

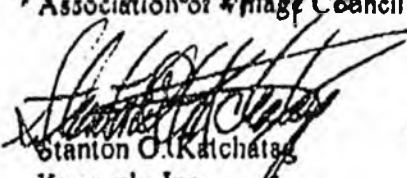
  
Jeanine Kennedy, Executive Director  
Rural CAP, Inc.

  
Al Metzler, Sr., Chairman  
Rural CAP, Inc.

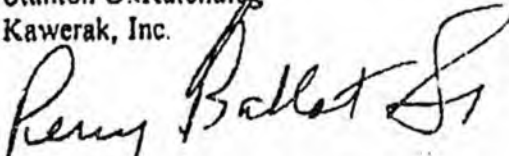
Andrew Etonga  
Alaska Native Brotherhood

  
David O. David  
Association of Village Council Presidents

  
Jonathon Solomon  
Gwitcha, Gwitch'in Ginkhye

  
Stanton O. Katchatag  
Kawerak, Inc.

David Eluska  
Kodiak Area Native Association

  
Percy Ballot, Sr.  
Maniilaq, Inc.

Representative Con Bunde  
March 27, 1998  
Page 2

*Ted Angasan*  
Ted Angasan  
Bristol Bay Native Association

*Thelma Christofferson*  
Thelma Christofferson  
Chugachmiut

*Robert Marshall*  
Robert Marshall  
Copper River Native Association

*Donne Fleagle*  
Donne Fleagle  
Tanana Chiefs Conference

Dewey Skan, Jr.  
Tlingit-Haida Central Council

*Grace Wells*  
Grace Wells  
Child Development Policy Council

*David K. Fison*  
Rev. David Fison  
Alaska Christian Conference

*Anthony Nakazawa*  
Anthony Nakazawa  
Alaska Cooperative Extension Service

# Alaska State Legislature



Official Business  
Fax: (907) 465-3472

State Capitol  
Juneau, AK 99801-1182  
(907) 465-3720  
(907) 465-2689

Speaker of the House of Representatives

March 18, 1998

«NAME»

Dear «SALUTATION»:

Thank you for your letter pointing out the possible negative effects of the current version of SB 36. As you may know, CS SB 36 (FIN) am passed the Senate a few days ago and is now in the House where it received referrals to the House HESS and Finance Committees. An initial hearing on SB 36 is scheduled for March 21 at 1:00 p.m. Although that hearing will be teleconferenced, it will be for listening only. However, a teleconference to hear public testimony will be scheduled in the not too distant future, and I hope you will take the opportunity to testify. You can keep abreast of the scheduled hearings for SB 36 by checking with your Legislative Information Office. In the meantime, I will forward a copy of your message to the House HESS Committee with a request that they include it in the committee members' SB 36 bill files.

Again, I appreciate hearing from you and hope you will continue to share with me those issues of concern to you.

Sincerely,

A handwritten signature in cursive script that reads "Gail Phillips".

Gail Phillips  
SPEAKER OF THE HOUSE

GP:jmj

cc w enc: Rep. Con Bunde, Chair, House HESS Committee

<b>NAME</b>	<b>SALUTATION</b>
<b>Ms. Pamela Van Wechel Superintendent Lower Yukon School District PO Box 32089 Mountain Village, AK 99632</b>	<b>Ms. Wechel</b>
<b>Ms. Tina Flynn PO Box 115 Tununak, AK 99681</b>	<b>Ms. Flynn</b>
<b>Mr. and Mrs. Benjamin Angaiak PO Box 11 Tununak, AK 99681</b>	<b>Mr. and Mrs. Angaiak</b>
<b>Mr. Charlie Patrick PO Box 61 Tununak, AK 99681</b>	<b>Mr. Patrick</b>
<b>Mr. Michael M. Ripke PO Box 65 Chefornak, AK 99561</b>	<b>Mr. Ripke</b>
<b>Mr. Jerry Vantrease FAX 2350560</b>	<b>Mr. Vantrease</b>
<b>Mr. Roger Liebner 207 Corral Avenue Soldotna, AK 99669</b>	<b>Mr. Liebner</b>

**Ms. Milary Matthews  
PO Box 69  
Kasilof, AK 99610**

**Mr. John Wachmann  
Cheformak Schools  
PO Box 50  
Cheformak, AK 99561**

**Mr. Bill Wilkinson  
Kwigilingok, AK**

**Ms. Paula Rak  
PO Box 1852  
Wrangell, AK 99929**

**Ms. Lynne Campbell  
PO Box 123  
Wrangell, AK 99929**

**Ms. Mary Giles  
PO Box 1350  
Soldotna, AK 99669**

**Mr. Joshua D. Andrews  
PO Box 114  
Tununak, AK 99681**

**Ms. Gloria Kanrilak  
PO Box 15  
Tununak, AK 99681**

**Ms. Matthews**

**Mr. Wachmann**

**Mr. Wilkinson**

**Ms. Rak**

**Ms. Campbell**

**Ms. Giles**

**Mr. Andrews**

**Ms. Kanrilak**

**Ms. Joanne Walter**  
**PO Box 63**  
**Tununak, AK 99681**  
**Mr. Jonathan Hooper**  
**PO Box 88**  
**Tununak, AK 99681**  
**Ms. Marlene Flynn**  
**PO Box 61**  
**Tununak, AK 99681**  
**Ms. Anna Kailukiak**  
**PO Box 14**  
**Tununak, AK 99581**  
**Ms. Lucy Whitman**  
**PO Box 31**  
**Tununak, AK 99681**  
**Ms. Nina Menegak**  
**PO Box 51**  
**Tununak, AK 99681**  
**Mr. Steven P. Wright**  
**PO Box 4645**  
**Soldotna, Ak 99669**  
**Ms. Kathy Gensel**  
**Box 3398**  
**Soldotna, Ak 99669**

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**Ms. Menegak**  
  
**Mr. Wright**  
  
**Ms. Gensel**

**Mr. Eldon Brothen**  
**257 Stacy Drive**  
**Soldotna, AK 99669**

**Kathleen Holt**  
**Route 2, Box 715**  
**Kasilof, AK 99610**  
**Ms. Karen S. DeVaney**  
**Box 2686**  
**Homer, AK 99603**

**Mr. Jack Castimore**  
**1533 CoHoe Circle**  
**Kenai, AK 99611**

**Ms. Kim Avera**  
**Box 1654**  
**Homer, AK 99603**

**Ms. Esther Eagle Richeson**  
**44436 Golden Eagle**  
**Avenue**  
**Kenai, Ak 99611**

**Mr. Brothen**

**Ms. Holt**

**Ms. DeVaney**

**Mr. Castimore**

**Ms. Avera**

**Ms. Richeson**

P.O. Box 115  
Tununak, Alaska 99681-0115  
March 13, 1998

Representative Gail Phillips  
House Of Representatives  
State Capitol, Room 208  
Juneau, Alaska 99801-1182

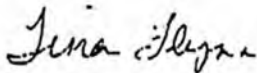
To the Honorable Gail Phillips:

My name is Tina Flynn and I am a Junior at Paul T. Albert Memorial School. I would like to voice my concern about Senate Bill 36.

The bill poses a serious threat to the quality education currently available in rural Alaskan communities. I wholeheartedly support the goals put forth in Alaska Educational Standards and am worried that the cuts attached to SB36 will drastically affect their regulation.

Thank you for your time in reading this letter.

Sincerely,



Tina Flynn

P.O. Box 61  
Tununak, Alaska 99681  
March 13, 1998

Representative Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, Alaska 99801-1182

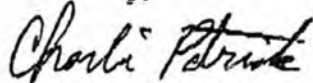
To the Honorable Gail Phillips:

My name is Charlie Patrick and I am a Senior in the Paul T. Albert Memorial School. I am concerned about Senate Bill 36.

This bill poses a serious threat to the quality education currently available in rural Alaskan communities. I wholeheartedly support the goals put forth in the Alaska educational standard and am worried that the cuts attached to Senate Bill 36 will drastically affect their realization.

Thank you for reading this letter

Sincerely,



Charlie Patrick

3/13/98

To: Representative Gail Phillips  
House of Representatives  
State Capital, Room 208  
Juneau, AK 99801

From: Michael M. Ripke  
P.O. Box 65  
Chefornak, AK 99561

Dear Ms. Phillips:

I am writing a letter to ask for your support in voting against Senate Bill 36. First of all I'm concerned about the loss of Federal aid that will result with the passage of this bill. Has it really been looked at what the loss of aid will entail if SB 36 is passed?

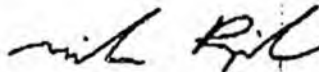
Most of Rural Alaska's municipal governments have no existing laws that relate to the disposal, acquisition or taxation of municipal property. Where there is no existing tax base, I feel that taxation among REAA residents and employees discriminates against a minority of the rural sector.

At least half of the state's population resides in urban areas. Allocating aid to school districts on a per child basis will affect rural districts where the number of students is disproportionate. There should be an equitable way to fund both rural and urban school districts.

Also I feel that the quality of rural education will decrease if school districts are forced to eliminate essential personnel in small schools that have a teacher : student ratio that is equivalent or greater to urban schools.

Again I strongly urge a bipartisan vote that opposes SB 36. This is not a rural or urban issue, this is an Alaskan issue that will affect the quality of education for years to come. Yes, there has to be an equitable way to fund our educational system. SB 36 does not address this. Perhaps it is time to consider an education fund that will provide future funding for our children's education.

Sincerely,



Michael M. Ripke

Representative Gail Phillips  
Alaska State House of Representatives

3/6/98

Dear Representative Phillips:

I am a resident of Homer, AK and an independent business owner. Neither I nor any of my family members are employed by the Alaska public school system, but my daughter is in elementary school here and my other two children will be soon. I am writing to you out of concern for the state of school funding here on the Kenai Peninsula. It seems to me, from what I know, that there are grave deficiencies in the funding levels for our local schools -- and this in spite of what are some of the highest local taxes in Alaska.

Homer High is currently funded at the same level as ten years ago, but currently enrolls 175 more students. At McNiel Canyon Elementary, attended by my daughter, the smallest class size next year will be 26 students due to reductions in the budget. I know that the teacher salaries are currently lower, relative to the rest of the US, than they were ten years ago, and now rank as mediocre in comparison to the other states. I am told that the Kenai School District administrative costs are in the low-average range, so the money does not appear to be wasted there.

This leaves me to think that the problem here on the Kenai is under-funding, which I believe is brought about by inequities in the distribution of education funds. Be that as it may, what I want right now is for schools in my town and my area to be adequately funded. I know that there is legislation under consideration to bring that about, specifically HB 294, and I expect to hear that you have worked to support my concerns.

Thank you for your attention to this matter.

Sincerely,

Jerry Vantrease

The following parent organizations have reviewed this position statement and have given their endorsement as of March 3, 1998.

Homer Association of Site Councils  
Homer High, Homer Middle, Homer West Elementary  
Paul Banks Elementary , McNeil Canyon

Homer Community in Action  
(group of local representatives from a wide range of organizations that is working to prevent drug and alcohol use by youth)

Homer Middle School Parents Advisory Organization (PAO)

Sears Elementary School PTA

Homer High School Band Booster Club

Homer High Steering Committee

Soldotna High School PTA

NorthStar Elementary School PTA

Veznesenka Parent Advisory Committee

Redoubt Elementary Site Council

Soldotna Elementary Site Based Council

Skyview Site Based Council

Cooper Landing School Council

Seward PTSA

Seward-Bayview Charter School Academic Policy committee.

Soldotna Middle School PTA

Sterling School PTSA

Nikiski Elementary PTSA

*Roger Lieben Solti PTSA President 262-1339  
277 Central Ave, Soldotna, AK 99669*

## Parent Organizations in Support of Increased Educational Funding

The parent teacher organizations on the Kenai Peninsula have been seriously concerned for years about the problems of educational funding in Alaska. Each year a new legislature convenes with promises of increased funding, correcting disparities and raising standards of performance. This year we expect to hold our legislators on the peninsula accountable for their voting records on educational funding for the peninsula.

Throughout the last decade, our schools have been faced with:

- increased enrollment
- raising pupil/teacher ratios
- increased costs for textbooks and supplies
- elimination or reduction of school nurses
- increased facility maintenance and utility costs and an extensive

increase in parent/pupil fund raising to maintain sports, music and arts programs just to name a few. During this time there was little increase in the school foundation funding formula. This clearly impacts and runs contrary to the objectives of parent organizations and more importantly the education system as a whole.

The parent organizations of the Kenai Peninsula strongly support increases in funding either through the Foundation Formula or any other program which meets current and future needs. We do not believe reallocation in itself is the appropriate remedy. We do believe all Alaskan's should contribute to supporting public education. We believe in local control and oppose primary "dedicated funding", as it conflicts with local requirements.

It is imperative the state recognize their responsibility in funding education. Article IV, Section 1 of the Alaska State Constitution states: The legislature shall by general law establish and maintain a system of public schools open to all children of the State.

It has been suggested by leaders of the legislature that funding for all programs be performance based. Increased performance and standards of achievement in education of Alaska's children should be stable and not based on the daily fluctuating price of oil.

In the recent past our legislature had determined that the investment in future dollars is more important than the investment in Alaska's future through our children.

The Kenai Peninsula parents intend to closely monitor legislation and voting records on issues relating to education, and intend to support those Representatives and Senators who strive toward an improvement in Alaska's education.

P.O. Box 69  
Kasilof, AK 99610

February 26, 1998

Representative Gail Phillips  
State Capitol  
Juneau, AK 99801

Dear Representative Phillips:

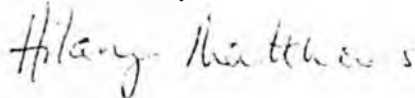
Last November, I went to visit a friend in Long Beach, Washington who had recently moved down there after more than twenty years of teaching in Alaska. She took me round the school in which she is now teaching. Most classrooms had broken windows, paint was peeling from the walls, a layer of grime permeated the whole building, student desks were dilapidated and most of the supplies she had in her room she had bought herself. The school only has one custodian for a building of 500 students. There's much more I could tell you about this school, but I'm sure I have said enough to make my point.

The Kenai Peninsula Borough School District will be in this same dire condition within a few years unless the funding situation improves. Already, the deterioration in equipment and buildings is very noticeable. Already, classes are larger than they should be. Already, teachers are demoralized with the unconscionable two tier salary scale.

Various suggestions have been made about ways to increase funding. Unfortunately the most promising possibilities would require a political will that will be hard to find in an election year. Using some of the Permanent Fund earnings in the form of an endowment, or raising the tax cap are two of these. Who among you is willing to stand up for education and take the heat in an election year?

I urge you to put the importance of education above your political aspirations and find the money to fund our schools adequately.

Yours sincerely,



Hilary Matthews

cc: Representative Gary Davies  
Representative Mark Hodgins  
Senator Jerry Ward  
Senator John Torgerson

**FAX***Pat School Letters***Date** 03/14/98**Number of pages including cover sheet**

**TO:** Gail Phillips  
 State Capitol, Room 208  
 Juneau, AK 99801-1182

**FROM:** John Wachmann, Site  
 Administrator  
 Chefornak Schools  
 PO Box 50  
 Chefornak, AK 99561

**Phone** 907-465-2689  
**Fax Phone** 907-465-3472

**Phone** 907-867-8700  
**Fax Phone** 907-867-8429

**CC:**

**REMARKS:**  Urgent  For your review  Reply ASAP  Please Comment

**RE: SCSB36**

As a school administrator in the Lower Kuskokwim School District I should have a certain bias against the kind of cuts that my district would suffer if this bill passes. However, please understand that I work daily with the students, staff and parents who would be drastically effected by these kind of cuts. I now have to make difficult judgments as to how dollars are allocated and choicas have to be made. SCSB36 would mean budget cuts so severe that educational programs deemed necessary for the survival of the Yup'ik language and culture would be eliminated. Please do appreciate the gravity of this situation and work with your fellow members of the Senate and House to revise or vote against SCSB36 so that these First Nation peoples may retain and continue their language and culture. Quayana (Yup'ik for thank you.)

From: Bill Wilkins  
Kwigillingok, AK

Phone # 588-8529

# 588-8629 WK

This is what we  
think and will do  
if SB-36 Passes!!!

## Rural Boycott

As a reaction to the republican controlled senate and house attacks upon rural education. Rural people are considering to organize a rural boycott of major anchorage area businesses. All rural areas of the state will be contacted and asked to use less and put off major purchases a year or so. If possible rural residents will be asked to order as much as possible from catalogs or lower 48 vendors.

In order to offset millions of dollars in educational revenue cuts from rural areas just to put the money into urban areas this is our only logical recourse. This is the only way to fight back. Attempting to ward off these devastating attacks upon our educational system, we will, react towards major businesses with the hopes that they may have better luck knocking heads with a few republications that are bent on dividing Alaska.

Many rural people feel that no group in Alaska should be educationally under financed. Not urban or rural, and would like to see improved funding for both.

With the interest of clarity we would like to put the focus on Randy Phillips, John Torgueson, Bert Sharp, Drue Pearce, Sean Parnell, and Gary Wilken as legislative embarrassments because any Alaska legislators that wants to gut one state area to benefit another isn't thinking very hard. With all the money in this state they should be able to come up with a plan to make things better for all Alaskans.

For example we can collectively stop use of or use less by:

- cutting back on airlines travel
- cutting back on long distance calls
- cutting back on air freight
- cutting back on snowmachine orders
- cutting back on anchorage based bush food orders
- cutting back on individual builders supply
- cutting back on anchorage based vendors for all rural schools
- cutting back on all unnecessary holiday orders
- cutting back on permanent fund spending in anchorage

If any of these vendors care about bush business talk to Randy Phillips, John Torgueson, Bert Sharp, Drue Pearce, Sean Parnell, and Gary Wilkins these legislators ill represent their districts by coming up with poor ideas that make one group of Alaskans better off at the demise of another group. Stop the madness of SB-36 and prevent the state as a whole from looking down upon these urban districts constituents as dividing urban and rural Alaska just because their elected senators and representatives lack enough creativity to find a penny in a bank vault.

P.S. We are considering a national "TV"  
+ Radio plea to tourists visiting Alaska to  
put off your travel to protest  
the state of Alaska's legislative  
<sup>educational</sup> injustice to its mostly native  
remote rural economically disadvantaged.

This is just the beginning.

Paula Rak  
PO Box 1852  
Wrangell, Alaska 99929  
(907) 874-3824

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March 8, 1998

Dear Representative Phillips:

Our education system is in trouble. In the last ten years, there has been virtually no increase in funding. Inflation has eroded the value of the funds by 33%. Our children are suffering because of it. "Our children are our future." You have heard that many times because it is true. Students in elementary school today will be expected to keep this country running while my generation retires. Let's plan now that they will be up to the task.

As a volunteer in grades K-3, I have seen many children struggle with reading. These children will struggle all their lives if they do not pick up the necessary reading skills early. A child's success in school (and thus in life) has been shown to be directly proportional to class size in the early grades. Class sizes have been growing due to budget shortfalls. General teacher aides have disappeared from the classroom. The municipalities are contributing more and more to the schools' budgets, but still not keeping pace. Wrangell has a shrinking tax base and is not able to fill in the gaps. The "frills" part of the school's budget (foreign language classes, music, art, athletic travel, etc.) has been cut years ago. We are now losing teachers. Children like my son will do well no matter what, but there are many borderline children that will slip through the cracks due to large class size.

It is the state's responsibility to fund education. SB 36 is being debated now. This bill does not increase state funding. It merely reallocates the same money. There are only two districts that can afford to do with fewer dollars - North Slope and Valdez. According to our superintendent Wrangell would stand to lose \$168,854. This, he said, was because of the way our accounting has been done through the years. A lot of things that are not necessarily administrative have been listed as such because it made no difference. Now it would hurt us severely. **SB 36 is not good for Wrangell.**

Wrangell has been hurt severely with the mill closure, loss of sales taxes (even though it has the highest rate in the state) and decline of timber dollars. A bill that reallocates the same pie does nothing to address the problem. The problem is that all schools have had a 1% increase in state funding in the last 10 years. There is not business that can survive that and still put out quality products. We need to do more than divide the pie differently. **Vote for an increase in overall funds, not just a reallocation.**

We are asking for a cost of living adjustment to be built into the formula. It is vital. If children slip through the cracks now, we will pay for it later with social problems.

Thank you.

Sincerely yours,  
Paula Rak



# LOWER YUKON SCHOOL DISTRICT

P.O. Box 32089  
Mountain Village, Alaska 99632  
Phone: (907) 591-2411  
Fax: (907) 591-2449

PAMELA S. VANWECHEL  
Superintendent

March 11, 1998

Ladies and Gentlemen of the Alaska House of Representatives:

The purpose of this letter is to respectfully request that you take whatever action you can to stop the merciless, short-sighted and unnecessary assault on the Children of Alaska. I am confident that you know what legislation could be helpful to Alaskan children, and you know how hurtful some of the current proposals will be for our most defenseless citizens.

Please apply your knowledge, along with a generous portion of good judgment, and make the right decisions to help us take responsibility for the children and strengthen the educational programs for Alaskan students.

I have visited your office and talked with you before, so a review of the priorities that I think the legislature should have is redundant. Even so, here they are:

1. All of the Alaskan children belong to all Alaskans. I have worked from Nome to Ketchikan, in Mat-Su and in Nenana, in Hydaburg, Kotzebue and Ambler. Now I live at Mountain Village, and represent the children of the Lower Yukon. However, I still consider that I am responsible to represent all of the Children of Alaska (rural and urban) because they cannot speak for themselves. Alaskan Legislatures, no matter what region you represent, are responsible for the welfare of all Alaskan children.
2. Education represents a bright future for the poor children of our State. All children need and deserves an education, but poor children have only one hope, and that is that they will receive the appropriate education which give the options for the future. In my 20 years in Alaska, I've seen many children grow up to be productive, responsible citizens. This is possible for poor children and for minorities only if they have equal access to education and opportunity.
3. Alaska can and must invest significant funds and more funds into our greatest resource -the Children of Alaska. Excuses are no remedy for the short-term or the long-term need to fully fund educational programs and to provide improved opportunities for our young people.

Alaska House of Representatives  
March 11, 1998  
page 2

4. While reviewing the TOTAL problem for the Children of Alaska, please carefully observe the unpleasant facts relative to deferred school maintenance and the lack of interest by some legislators to build adequate schools for the children. For at least the past 5 years, there has been no funding to build schools for our growing school population in rural Alaska.
5. Operating costs for substandard school facilities are unfairly eroding the education dollars in our State. All of the children of Alaska need your help - your attention - your votes to ensure that the needs of the children are met.

Please, accept no more excuses. We Alaskans live in the richest State in the nation. America is the most prosperous country in the world. We must reinvest our vast resources in the Children of Alaska.

Sincerely,



Pamela VanWechel  
Superintendent

enclosures: newspaper articles and editorials

**THE FOLLOWING PAGES MAY  
NOT FILM LEGIBLY BECAUSE OF  
THE POOR QUALITY OF THE ORIGINAL**

Lynne Campbell  
P. O. Box 123  
Wrangell, AK 99929

Representative Gail Phillips  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Phillips:

I am writing you on behalf of the children of Alaska and most especially those of Wrangell. I strongly urge you to support an increase in the state funding formula to local school districts. Educational costs funding has not kept up with inflation. School districts across the state need an increase in funding. Districts everywhere should have equal opportunities for their students. Communities, such as Wrangell, have been hard hit by the recession. Not only have local business' felt the trickle down effect but our school enrollment decreases thus decreasing our tax base but not our need for programs. As a former school board member in 1983 I am sure that funding was an issue then and it has not been resolved to date. I would like to see funding reform a priority during this legislative session.

*Lynne Campbell*

P.O. Box 1350  
Soldotna, Alaska 99669

March 4, 1998

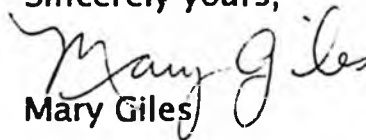
Representative Gail Phillips  
State Capitol, Room 208  
Juneau, AK 99801-1182

Dear Representative Phillips:

Please see that funding is increased to our school district.

Thank you.

Sincerely yours,

  
Mary Giles

P.O. Box 114  
Tununak, AK 99681  
13 March, 1998

Representative Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, AK 99801-1182

To the Honorable Gail Phillips:

I am writing this letter to express my concern over Senate Bill 36. This measure, if passed, will drastically affect rural communities throughout the state.

Alaska has a unique position in the Union. Its communities have varied economic standings, yet schools have always been treated fairly and have been supported with equal access to state funds. The legislation before you now would change this egalitarian dispersal; routing money away from rural schools towards urban centers.

New York, Chicago, cities in Texas, and various other inner-city schools face the problem of too little funding every day. Because the tax bases of inner-city schools are so small, their areas simply do not generate enough money to operate effective educational programs. States in the lower 48 are trying to brainstorm ways to reduce this school funding disparity and would do well to look to Alaska for leadership. However, if Alaska was to pass this legislation, the state would join others with disparate, biased funding plans.

SB 36 is not the answer to any problems which may now exist. A solution needs to be sought which ultimately reflects goals of providing a quality education to all of Alaska's children.

Please do not pass legislation that pits one group against another. We have a small population and it is crucial that we present a united front when faced with problems such as this. Do not improve the quality of one life at the expense of another. None of us has the right to decide which individuals will benefit and which will suffer.

I implore you to reflect upon what I ask. Thank you for your time and consideration.

Sincerely,



Joshua D. Andrews

P.O Box 15  
Tununak Alaska 99681  
March 13, 1998

Representative Gail Phillips  
House of Representnatives  
State Capital, Room 208  
Juneau Ak 99801-1182

To the Honorable Gail Phillips:

My name is Gloria Kanrilak and I am in 8th grade and i'm 14 years old. I am concerned about Senate Bill 36.

If SB36 passes, the stutents of Rural Alaska communities will suffer. The overall quality of education in Alaska will decline without the proper funding. I Beleve that this result is contradictory to Alaska's committment to quality education as defined by the Alaskan Educational Standards.

Well funded school in rural settings are part of what makes Alaska a cutting-edge state. Please do not vote for this legislation or abandon you commitment to a lartge portion of Alaska's future.

Thank you for taking you time to read this letter.

Sincerely,



Gloria Kanrilak

P.O. Box 63  
Tununak, Alaska 99681  
March 13, 1998

Representatives Gail Phillips  
House of Representatives  
State Capital, Room #208  
Juneau, Alaska 99801-1182

To the Honorable Gail Phillips:

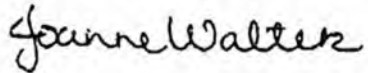
My name is Joanne Walter and I am in 9th grade. I go to school in Paul. T. Albert. Memorial. School. I am writing because I am concerned about the S. B. 36.

If S.B. 36 passes, the students of rural Alaskan communities will suffer. The overall quality of education in Alaska will decline without the proper funding. I believe that this result is contradictory to Alaska's commitment to quality education as defined by the Alaskan Educational Standards.

Well Funded schools in rural settings are part of what makes Alaska a cutting-edge State. Please do not vote for this legislation or abandon your commitment to a large portion of Alaska's Future.

Thank you for reading this.

Sincerely,



Joanne Walter

P.O.Box 88  
Tununak, Ak 99681

Representative Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, AK 99801-1182

To the Honorable Gail Phillips:

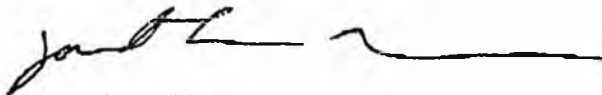
My name is Jonathan Hooper and I am a student at the Paul. T. Albert Memorial High School in Tununak, AK. I am writing this because I am concerned with Senate Bill 36.

If SB 36 passes, the students of rural Alaskan communities will suffer. The overall quality of education in Alaska will decline without the proper funding. I believe that this result is contradictory to Alaska's commitment to quality education as defined by the Alaskan Educational Standards.

Well-funded schools in rural settings are part of what makes Alaska a cutting-edge state. Please do not vote for this legislation or abandon your commitment to a large portion of Alaska's future.

Thank you for your time reading this letter.

Sincerely,



Jonathan Hooper

P.O. Box 61  
Tununak, Ak 99681-0061  
March 13, 1998

Representative Gail Philips  
House of Representative  
State Capitol, Room 208  
Juneau, Ak 99801-1182

To the Honorable Gail Philips:

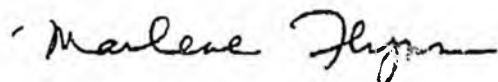
My name is Marlene Flynn and I am a student at Paul T. Albert Memorial School in Tununak, Ak. I am writing this because I am concerned with Senate Bill 36.

If SB 36 passes, the students of rural Alaskan communities will suffer. The overall quality of education in Alaska will decline without the proper funding. I believe that this result is contradictory to Alaska's commitment to quality education as defined by the Alaskan Educational Standards.

Well-funded schools in rural settings are part of what makes Alaska a cutting-edge state. Please do not vote for this legislation or abandon your commitment to a large portion of Alaska's future.

Thank you for taking time to read this letter.

Sincerely,



Marlene Flynn

P.O. Box 14  
Tununak, AK 99681  
March 13, 1998

Representative Gail Phillips  
House of Representatives  
State Capital, Room #208  
Juneau, AK 99801-1182

To the Honorable Gail Phillips:

My name is Anna Kailukiak and I am a tenth grade student in the Paul T. Albert Memorial school. I am writing because I am concerned about SB 36.

If SB 36 passes, the students of rural Alaskan communities will suffer. The overall quality of education in Alaska will decline without the proper funding. I believe that this result is contradictory to Alaska's commitment to quality education as defined by the Alaskan Educational Standards.

Well funded schools in rural settings are part of what makes Alaska a cutting-edge state. Please do not vote for this legislation or abandon your commitment to a large portion of Alaska's Future.

Thank you for taking the time reading this.

Sincerely,



Anna Kailukiak

P.O. Box 31  
Tununak, Alaska 99681-0031  
March 13, 1998

Representative Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, Alaska 99801-1182

To the Honorable Gail Phillips,

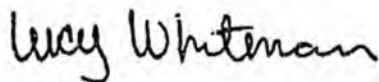
My name is Lucy Whitman. I am an eighth grader at Paul T. Albert Memorial High School. I am concerned with Senate Bill 36.

If Senate Bill 36 passes, rural Alaskan students, teachers and families will suffer. Students' futures will also be ruined. The overall quality of education in Alaska will decline without the proper funding. I believe that this result is contradictory to Alaska's commitment to quality education as defined by the Alaskan educational Standards.

Well-funded schools in rural settings are part of what makes Alaska a cutting-edge state. Please do not vote for this legislation or abandon your commitment to a large portion of Alaska's future.

Thank you for taking your time reading this. I just hope that you don't vote for this legislation.

Sincerely,



Lucy Whitman

P.O. Box 11  
Tununak, Alaska 99681  
March 13, 1998

Representative Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, Alaska 99801-1182

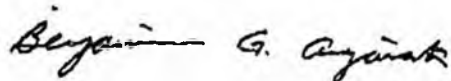
To the Honorable Gail Phillips,

My name is Benjamin Angaiak and I am a senior in Tununak, Alaska. I am concerned about Senate Bill 36.

The bill poses a serious threat to the quality education currently available in rural Alaskan communities. I wholeheartedly support the goals put forth in the Alaskan Educational Standards and am worried that the cuts attached to Senate Bill 36 will drastically affect their regulation.

Thank you for reading this letter.

Sincerely,



Benjamin Angalak

P. O. Box 11  
Tununak, AK 99681-0011  
March 13, 1998

Representative Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, AK 99801-1182

To the Honorable Gail Phillips:

Hello, my name is Josephine Angaiak and I am from Tununak. I am an 8th grader of Paul T. Albert Memorial High School. I am writing to you because I am concerned with Senate Bill 36.

If Senate Bill 36 passes, the students of rural Alaskan communities will suffer. The overall quality of education in Alaska will decline without the proper funding. I believe that this result is contradictory to Alaska's commitment to quality educating as defined by the Alaskan Educational Standards.

Well-funded schools in rural settings are part of what makes Alaska a cutting-edge state. Please do not vote for this legislation or abandon your commitment to a large portion of Alaska's future.

Thank you for taking your time to read this letter.

Sincerely,

*Josephine Angaiak*  
Josephine Angaiak

P.O. Box 51  
Tununak, AK 99681  
March 13, 1998

Representative Gail Phillips  
House of Representatives  
State Capitol, Room 208  
Juneau, AK 99801-1182

To the Honorable Gail Phillips:

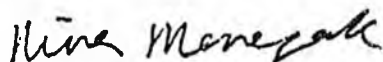
My name is Nina Menegak from Tununak. I am an 8th grader of Paul T. Albert Memorial School. I am writing because I am concerned with Senate Bill 36.

If Senate Bill 36 passes, the students of rural Alaskan communities will suffer. The overall quality of education in Alaska will decline without the proper funding. I believe that this result is contradictory to Alaska's commitment to quality educating as defined by the Alaskan Educational Standards.

Well-funded schools in rural settings are part of what makes Alaska a cutting-edge state. Please do not vote for this legislation or abandon your commitment to a large portion of Alaska's future.

Thank you for taking your time to read this letter.

Sincerely,



Nina Menegak

02-05-98 10:13 AM

Mrs. GAIL PHILLIPS  
SPEAKER OF THE HOUSE OF REPRESENTATIVES  
RM. 208 STATE CAPITOL  
JUNEAU, AK 99801-1182

## KENAI PENINSULA BORO/SCHOOL DIST IN CRISIS

DURING THE PAST WEEK, JANUARY 26TH THUR JANUARY 30TH 1998 THE PENINSULA CLARION NEWSPAPER HAS PUBLISHED A SPECIAL SERIES OF ARTICLES WRITTEN BY SHANA LOSHBAUGH. THESE ARTICLES EXPLAIN IN DETAIL THE EFFECTS OF CUMULATIVE BUDGET CUTS OVER THE PAST 10 YEARS. SHANA DID A EXCELLENT JOB OF BRINGING THESE FACTS TO THE FOREFRONT OF PUBLIC ATTENTION.

KPBSD EMPLOYEES, STUDENTS & PARENTS ENDURE THESE FACTS EVERY DAY. FROM THE SUPERINTENDENT OF SCHOOLS TO THE PART TIME SUBS & EVERYONE IN BETWEEN HAS FOR YEARS TRIED TO COMMUNICATE THESE CONCERNS TO THE PUBLIC & OUR LEGISLATURE. NOW IT IS FRONT PAGE NEWS.

THE FOLLOWING IS MY PERSONAL OPINION. I'M SURE THAT IT WON'T WIN FRIENDS OR INFLUENCE PEOPLE BUT I BELIEVE IT NEEDS TO BE SAID.

OUR LEGISLATIVE MAJORITY HAS A AGENDA OF CUTTING THE BUDGET & DOWNSIZING THE GOVERNMENT. THIS AGENDA HAS A DIRECT NEGATIVE EFFECT ON THOUSANDS OF ALASKA RESIDENTS & CHILDREN. WE ARE TOLD BY THE MAJORITY THAT "WE MUST TIGHTEN OUR BELTS & MAKE SACRIFICES." MEAN WHILE THEY VOTE THEMSELVES A PAY RAISE & REQUEST ADDITIONAL STAFF.

THE EDUCATION FOUNDATION FUNDING FORMULA & THE DISPARITY OF FUNDING SCHOOL DISTRICTS HAS BEEN A ONGOING SERIOUS PROBLEM FOR OVER 10 YEARS.

IN MY MIND THESE ELECTED OFFICIALS ARE PAID PROFESSIONAL NEGOTIATORS. IT IS THEIR JOB TO LISTEN, RESEARCH, SOLVE PROBLEMS & MAKE DECISIONS. YET THIS PROBLEM HAS CONTINUED FOR OVER 10 YEARS. YEARS OF COMMITTEE MEETINGS COSTLY STUDIES & RESEARCH, REAMS OF REPORTS & DISCUSSIONS ON & ON & ON.

CONTINUED FROM PAGE 1      SUNDAY FEBRUARY 1990

THE KENAI PENINSULA BORO/SCHOOL DISTRICT HAS TAKEN THE CUTS, WE HAVE MADE THE SACRIFICES. THE REMAINING EMPLOYEES HAVE DOUBLED & TRIPLED THEIR WORK LOADS. ALL EMPLOYEES STRUGGLE EACH DAY TO PRODUCE AS MUCH AS POSSIBLE. THE PARENTS & STUDENTS ARE PAYING FEES FOR EVERYTHING. THEY DONATE MANY HOURS OF THEIR PERSONAL TIME TO HELP THE SCHOOL DISTRICT. ALL OF THIS IS DOCUMENTED IN THE "SCHOOLS IN A SQUEEZE" NEWSPAPER SERIES. I'M CERTAIN MUCH MORE WAS REPORTED TO SHANA CONCERNING OUR DISTRICT BUT HAD TO BE EDITED BECAUSE OF SPACE RESTRICTIONS.

OUR SCHOOL DISTRICT IS HANGING ON BY ITS FINGERNAILS AND OTHER SCHOOL DISTRICTS W/IN THE STATE STILL HAVE THE BEST OF EVERYTHING. THOSE DISTRICT ARE FUNDED 100% BY THE STATE W/OUT ANY LOCAL TAX OR FEES. I KNOW THAT THE "BUSH CAUCUS" & RURAL DISTRICTS ARE VERY POWERFUL INFLUENCE IN OUR CONGRE BUT ENOUGH IS ENOUGH!! IT'S TIME FOR THEM TO PAY THEIR SHARE.

IT'S TIME TO DISTRIBUTE THE EDUCATION FUNDING EQUALLY & FAIRLY. IT'S TIME FOR THE EDUCATION DEPT TO WAKE UP TO THE FACT THAT OUR SCHOOL DIST. IS BOTH URBAN & "BUSH SCHOOLS" & TO ALLOCATE OUR FUNDING W/ THAT IN MIND. ANCHORAGE DOES NOT HAVE "ACROSS THE WATER SCHOOLS." WE ARE FUNDED AS IF OUR DIST. WAS ENTIRELY URBAN.

OUR SCHOOL DISTRICT HAS DONE MUCH MORE THAN IT'S FAIR SHARE, IT'S TIME FOR OUR LEGISLATORS TO HELP!!!!

I SUGGEST THAT YOU READ THE "SCHOOLS IN A SQUEEZE" SERIES.  
"BOTTOM LINE" IS ANYONE LISTENING???

THANK YOU FOR YOUR TIME,  
*Steven P. Wright*  
STEVEN P. WRIGHT  
PO BOX 4645  
SOLDOTNA, AK 99669

Author: richeson@ptialaska.net at CC2MHS1

Date: 1/3/98 3:08 PM

Priority: Normal

TO: Representative Pete Kott at LAA\_HKOT, Representative Gene Kubina at LAA\_CAP,  
 Representative Terry Martin at LAA\_TRANS, Representative Beverly Masek at LAA\_TRANS,  
 Representative Carl Moses at LAA\_TRANS, Representative Eldon Mulder at LAA\_TRANS,  
 Representative Irene Nicholia at LAA\_CAP, Representative Scott Ogan at LAA\_TRANS,  
 Representative Gail Phillips at LAA\_CAP,  
 Representative\_Brian\_Porter@legis.state.ak.us at CC2MHS1,  
 Representative\_Norman\_Rokeberg@legis.state.ak.us at CC2MHS1,  
 Representative\_Joe\_Ryan@legis.state.ak.us at CC2MHS1,  
 Representative\_Jerry\_Sanders@legis.state.ak.us at CC2MHS1,  
 Representative\_Gene\_Therriault@legis.state.ak.us at CC2MHS1,  
 Representative\_Al\_Vezey@legis.state.ak.us at CC2MHS1,  
 Representative\_Bill\_Williams@legis.state.ak.us at CC2MHS1,  
 Representative\_Alán\_Austerman@legis.state.ak.us at CC2MHS1,  
 Representative\_Ramona\_Barnes@legis.state.ak.us at CC2MHS1,  
 Representative\_Ethan\_Berkowitz@legis.state.ak.us at CC2MHS1,  
 Representative\_Tom\_Brice@legis.state.ak.us at CC2MHS1,  
 Representative\_Con\_Bunde@legis.state.ak.us at CC2MHS1,  
 Representative\_John\_Cowdery@legis.state.ak.us at CC2MHS1,  
 Representative\_Eric\_Croft@legis.state.ak.us at CC2MHS1,  
 Representative\_John\_Davies@legis.state.ak.us at CC2MHS1,  
 Representative\_Gary\_Davis@legis.state.ak.us at CC2MHS1,  
 Representative\_Fred\_Dyson@legis.state.ak.us at CC2MHS1,  
 Representative\_Kim\_Elton@legis.state.ak.us at CC2MHS1,  
 Representative\_Richard\_Foster@legis.state.ak.us at CC2MHS1,  
 Representative\_Joe\_Green@legis.state.ak.us at CC2MHS1,  
 Representative\_Ben\_Grussendorf@legis.state.ak.us at CC2MHS1,  
 Representative\_Mark\_Hanley@legis.state.ak.us at CC2MHS1,  
 Representative\_Mark\_Hodgins@legis.state.ak.us at CC2MHS1,  
 Representative\_Bill\_Hudson@legis.state.ak.us at CC2MHS1,  
 Representative\_Ivan\_Ivan@legis.state.ak.us at CC2MHS1,  
 Representative\_Jeanette\_James@legis.state.ak.us at CC2MHS1,  
 Representative\_Reggie\_Joule@legis.state.ak.us at CC2MHS1,  
 Representative\_Pete\_Kelly@legis.state.ak.us at CC2MHS1,  
 Representative\_Allen\_Kempen@legis.state.ak.us at CC2MHS1,  
 Representative\_Vic\_Kohring@legis.state.ak.us at CC2MHS1,  
 Representative\_Al\_Kookesh@legis.state.ak.us at CC2MHS1

*3/14 -  
 BR - Ck to see  
 if we sent her a  
 response yet?*

Subject: School Nurse Funding

\*\*\* NOTE: This message was sent empty of any text. It appears only to be a container for the one attachment.

*BR - This needs  
 a response*

*also, put in file  
 for the Lenin delegation  
 mtg next week - done  
 Thanks*

MAR 18 1998

<FIXED>Dear Representative:

I am writing to you as both a frustrated school nurse and as a mother of two teenage sons who attend Soldotna Middle & Soldotna High Schools here in the Kenai Peninsula Borough School District (KPBSD). This is my 8th year as a school nurse here in the Kenai area, and I have witnessed the decline of health services in our schools as a result of inadequate & unfair educational funding. The KPBSD has repeatedly requested fairer funding but has repeatedly been denied. Historically, we have the same funding formula as Anchorage School District, yet the size of our district and the fact that some of our schools are accessible only by plane demands higher costs to operate. As a result of the inadequate distribution of funding, many fine programs have been cut or are being eliminated. School health services is one of those casualties.

This past school-year, we eliminated at least three nursing positions which has occurred at the high & middle school levels, so that most larger high schools in our district receive health services only 2 days/week. When KPBSD is compared to other districts near our size (i.e. Anchorage, Mat-Su, etc.), those districts still have one school nurse per larger building while one secondary nurse in ours must serve 2-3 or more schools. Also, the nurses in those districts are on "certified status" where we are "classified". For us, it means lower pay and different benefits even though we must have a Bachelor of Science degree in Nursing, must maintain a current Registered Nurse License, & must keep current CPR & Medic First-Aide cards—much different qualifications than the "classified employees" who must only have a high school diploma as a job qualification. As you can see, there is quite a bit of discrepancy between what the KPBSD can fund & what other similar districts are funding their nurses. And, as a mother of two secondary students, I am upset that my sons do not have access to a professional nurse's assessment & evaluation daily as the other districts mentioned above do.

KPBSD has done everything we can think of to "cut the fat", in fact, our own legislators report that KPBSD is an "exemplary model" state-wide for making responsible changes. Now we are asked to "cut the bone" and I am appalled that our legislators don't even care enough about our children to adequately & fairly fund for their education. If you cannot bring yourselves to provide more funds for education of Alaska's children, perhaps you can look at ways to make the funding for each district fairer, or to decrease the number of districts state-wide. Or, perhaps you could fund school nurses & health services outside of the education funding formula. Often the school nurse is the "prevention advocate specialist" in each school. At a time when drugs & alcohol are once again on the increase for young people, doesn't it make sense to keep the prevention programs intact in the schools? To quote a slide which Fran Uimer showed us at a community forum held at the Kenai Visitor's Center a year or so ago: "You can pay a little now, or you can pay a lot later". She was referring to crime prevention.

PLEASE reevaluate & assess how our current districts are funded and at least make it fairer. We desperately need some changes made or our school district will go from one of the best to one of the worst. Also, please do not rob from one group of kids to help fund another group of kids. I am referring to \$400,000 being shifted from school health services to adoption services. That is outrageous! School health services need more funding, not less!

Thank you for your time and effort regarding this request. I hope to hear from you soon.

Sincerely,

Esther Eagle Richeson, RN, BSN

KCHS School Nurse & Mother

44436 Golden Eagle Ave.

Kenai, AK 99611

(907)283-7378

P.S. I was raised in Kenai and returned here after graduating from University of Washington to start & raise a family because of our fine educational system, please don't make me regret it. (I had to go out-of-state in 1970 to earn a Bachelor of Science in Nursing degree because it was not offered here--another funding problem at a different level?). Think about it.

</FIXED>

Author: Representative Gail Phillips at LAA\_CAP  
Date: 2/27/98 1:10 PM  
Priority: Normal  
TO: Pat Springer at LAA\_HPHG  
Subject: School Funding  
Representative Phillips:

I support an increase to the school funding formula. This district as done nothing but cut for the past several years. Programs are beginning to suffer. It is time for this legislature to step forward and do something positive for education.

Eldon Brothen  
257 Stacy Dr.  
Soldotna, Ak.

MAR 18 1998

Author: Representative Gail Phillips at LAA\_CAP

Date: 3/9/98 7:38 AM

Priority: Normal

TO: Pat Springer at LAA\_HPHG

Subject: ed funding

This message is to encourage you to realize the severe needs our schools have. Schools do not merely need to have the funding distribution system overhauled. They need more money, plain and simple.

Because of more budget cuts (how many years in a row?),

Soldotna High School is scheduled to lose 3.5 teachers for the school year 1998-1999. That means they must cut 18 courses! SoHi is projected to have more students next year than they have this year. Also, because graduation requirements have been changed, the incoming freshmen will be required to complete 3 math and 3 science courses to graduate. This is up from the current requirement of 2 math and 2 science courses required. Just adding these new requirements increases the number of required courses by 10. The results this scenario brings are extremely severe for the Soldotna High School students.

A redistribution of state funding probably sounds good to a lot of us on the Kenai Peninsula and I agree that it is not being done fairly now. The current system does need to be re-evaluated and designed to be more equal across the state, but taking from some students to give to others should not be the way to solve our all of our financial problems. Besides, the amount of money the Kenai Peninsula Borough School District would gain in the proposed bill will not be even enough to cover the amount of money the district must cut this year! More funding from the state is mandatory. Please allow an increase in this year's budget for educational funding.

Thank-you, Kathleen Holt, Kasilof

*Rt 2 - Box 715*

*Kasilof, AK 99610*

MAR 18 1998

Author: Representative Gail Phillips at LAA\_CAP

Date: 3/6/98 11:12 AM

Priority: Normal

TO: Pat Springer at LAA\_HPHG

Subject: School Funding

Dear Representative Phillips,

I am very concerned with the school funding. Paul Banks Elementary is facing more cuts that will force the school to cut the librarian position. This is not acceptable. Each and every one of our children deserve basic instruction and the librarian position, especially at the early primary level, is vital. Please find some way to help our kids.

Sincerely,

Karen S. DeVaney

Box 2686

Homer, OK 99603-2686

MAR 18 1998

Author: Representative Gail Phillips at LAA\_CAP

Date: 3/2/98 9:38 AM

Priority: Normal

TO: Pat Springer a LAA\_HPHG

Subject: Info you can use.

Dear Representative\_Gail\_Phillips;

I feel you should know the following information when considering new legislation on education matters in Alaska.

The following information was prepared by the National Commission on Teaching and America's Future, under the auspices of the Carnegie Corporation and the Rockefeller Foundation, and is entitled What Matters Most: Teaching for America's Future. The Commission is chaired by Governor Jim Hunt of North Carolina

The Hunt Commission Report offers what the commissioners believe is the single most important strategy for achieving America's educational goals: A blueprint and contains the following information:

" Number of Teachers Has Declined While Non-Teaching Staff Has Risen.

\* The proportion of school staff classified as classroom teachers has fallen from 70% in 1950 to 52% in 1993 -- while the number of non teaching staff increased by over 40%.

\* For every four classroom teachers, there are nearly six other school employees in the United States, indicating that teachers make up only 43% of total school employment. Conversely, teaching staff in other countries comprise 60% to 80% of school employment.

\* A recent eight-nation study by the Organization for Economic Cooperation and Development revealed that the U.S. has by far the lowest ratio of core teaching staff to non-teaching staff (less than 1:1), well behind the leaders, Belgium (4:1), Italy (3,5:1), and Japan (3,4:1). "

I thought you would want this information, especially when considering a CAP on the amount of public funds that are used on Administration costs in local school districts. Hawaii has a CAP on administrative costs of just 5 per cent.

signed Jack Castimore, 1533 Cohoe Circle, Kenai, Ak 99611

MAR 18 1998

Author: Representative Gail Phillips at LAA\_CAP  
Date: 3/13/98 8:14 AM  
Priority: Normal  
TO: Pat Springer at LAA\_HPHG  
Subject: Senate bill 36.

Dear Representative Phillips, As a long time supporter of yours and homeschooling mother of four, I am urging you to vote to oppose or ammend senate bill 36. As you know, this bill offers only 65% funding of the IDEA program to which my children are enrolled. It offers 100% funding to students enrolled in their own district .I feel that this will be a gross inequity if allowed to pass or remain unammended. The IDEA program has provided more support than that which is available in my district..Not only has the quality of my children's education been improved, but I have recieved immeasurable amounts of support for my specific needs as educator through workshops ,consultation ,and technological training. This very day, I recieved instructional information via the Internet from my appointed certified teacher on how to best teach penmanship to my left-handed first grader! It really does not get any quicker or better than that! Local correspondence programs DO NOT provide this level of service. I feel that my children should be allowed to have the same resources as other correspondance students :egardless of the location of enrollment. IDEA is a model program, and if allowed to contine, will lead the standard in judicious use of resources and superior service, thus benefitting ALL correspondence programs state -wide. Please vcte to keep IDEA at 100% funding! My sincere thanks to you...Kim Avera

Box 1654  
Homer, OK 99613

MAR 18 1998

Author: Representative Gail Phillips at LAA\_CAP

Date: 2/27/98 1:10 PM

Priority: Normal

TO: Pat Springer at LAA\_HPHG

Subject: KPBSD schools funding

Dear Rep. Phillips,

I recently attended a budget overview for our area and it was apparent to me that our Borough schools are going to rapidly degrade due to funding shortfalls. This is not the direction we should be going in today's increasingly competitive world economy.

I browsed the Legislative proposals for this session and found nothing to address the gross inequities in State education funding formulas as they relate to our district. I won't go into details as I am assuming you are well aware of the issues involved. I'm also assuming that your position as majority leader would enable you to provide some impetus towards funding reforms. The current arrangement is particularly unfair for our Borough.

Do you have a plan or proposal to address this crisis? We would appreciate hearing back from you, not only on your plans, but also what we can do as individuals to help rectify the situation.

Bob & Diane Penland  
PO Box 2019, Soldotna  
262-9266  
rapp@corecom.net



Author: Representative Gail Phillips at LAA\_CAP

Date: 3/9/99 7:37 AM

Priority: Normal

TO: Pat Springer at LAA\_HPHG

Subject: SB 36

Dear Congressman,

This letter is in regards to the piece of legislation meant to equalize funding between the more populated areas of Alaska (i.e. the road system) and rural Alaska (i.e. native villages). I have been living working in the small western Alaska village of Akiak for the past year. I realize the road system schools may have a legitimate gripe about not receiving the larger piece of the funding pie, but I have also seen how much time, effort, and personal attention each student needs here in the bush. It simply costs more to educate a child in the rural Alaskan settings. As educators we are dealing with a large number of students who are mentally delayed, emotionally disturbed or qualified for special education. These students need more time and attention - which means more money because they need the special education teachers, the aides, psychologists, speech and hearing pathologists. and counselors.


The district I work for is the Yupiit School District. We are one of the smaller districts in the state, serving three villages. Even with state moneys, we are not able to address all of the problems or meet the cultural needs at a satisfactory level. As a result, a lot of the funds we have been using in the past year have come from private grants we have been fortunate enough to receive.

So what would this piece of legislation do to our schools? Our district would be swallowed up by the larger Lower Kuskokwim School District. The principal at each site would be replaced by a teaching principal. Our special education teachers would be either replaced by one teacher to serve all three sites or be eliminated altogether (we currently have five special education teachers carrying an unreal load). Counselor positions would also be reduced or eliminated. Special services such as psychologist's and speech pathologist's quarterly visits to our sites would be reduced or eliminated. Aide and teacher positions would be reduced. Overall service to our children would be greatly damaged and this in a district that is already struggling to improve the quality of education. Having had the opportunity to visit other village schools in other districts, I know our district would not be alone.

I urge you to carefully consider the ramifications this piece of legislation could have on rural communities. Education is the best chance many of the native children have to improve their lot in life - please don't make it any harder for them then it already is.

Thank you,  
Sally J. Karr

jskarr@msn.com



Author: Representative Gail Phillips at LAA\_CAP  
Date: 3/12/98 8:39 AM  
Priority: Normal  
TO: Pat Springer at LAA\_HPHG  
Subject: SB 36

I am writing a letter to ask for your support to not vote for Senate Bill 36. First of all I'm concerned about the loss of Federal aid that will result with the passage of this bill. Has it really been looked at what the loss of aid will entail if SB 36 is passed?

Most of Rural Alaska's municipal governments have no existing laws that relate to the disposal, acquisition or taxation of municipal property. Where there is no existing tax base, I feel that taxation among REAA residents and employees discriminates against a minority of the rural sector.

At least half of the state's population resides in urban areas. Allocating aid to school districts on a per child basis will affect rural districts where the number of students is disproportional. There should be an equitable way to fund both rural and urban school districts.

Also I feel that the quality of rural education will decrease if school districts are forced to eliminate essential personnel in small schools that have a student : teacher ratio that is equivalent or greater to urban schools.

Again I strongly urge a bipartisan vote that opposes SB 36. This is not a rural or urban issue, this is an Alaskan issue that will affect the quality of education for years to come. Yes, there has to be an equitable way to fund our educational system. SB 36 does not address this. Perhaps it is time to consider an education fund that will provide future funding for our children's education. Thank you.

mripke@chevronak.lksd.schoolzone.  
net

Mike Pipke

(sent to all legis)



Author: Representative Gail Phillips at LAA\_CAP

Date: 3/18/98 12:22 PM

Priority: Normal

TO: mripke@chefornak.lksd.schoolzone.net at CC2MHS1, jskarr@msn.com at CC2MHS1, rapp@corecom.net at CC2MHS1, knox@alaska.net at CC2MHS1, dbuckwalter@galenaalaska.org at CC2MHS1, nharvest@alaska.net at CC2MHS1, pturner@alaska.net at CC2MHS1, fisher@xyz.net at CC2MHS1, mcullen@galenaalaska.org at CC2MHS1, deruwe@arctic.net at CC2MHS1, lkincaid@galenaalaska.org at CC2MHS1, lcobb@galenaalaska.org at CC2MHS1, ericmary@galenaalaska.org at CC2MHS1, hofseth@supersshadow.net at CC2MHS1, rhandley@galenaalaska.org at CC2MHS1

Subject: SB 36 hearing scheduled

Thank you for your messages pointing out the possible negative effects of the current version of SB 36. As many of you may know, CS SB 36 (FIN) am passed the Senate a few days ago and is now in the House where it received referrals to the House HESS and Finance Committees. An initial hearing on SB 36 is scheduled for March 21 at 1:00 p.m. Although that hearing will be teleconferenced, it will be for listening only. However, a teleconference to hear public testimony will be scheduled in the not too distant future, and I hope you will take the opportunity to testify. You can keep abreast of the scheduled hearings for SB 36 by checking with your Legislative Information Office. In the meantime, I will forward a copy of your message to the House HESS Committee with a request that they include it in the committee members' SB 36 bill files.

Again, I appreciate hearing from you.

Sincerely,

Gail Phillips  
SPEAKER OF THE HOUSE

GP:jmj

cc w enc: Rep. Con Bunde, Chair, House HESS Committee

Author: dbuckwalter@galenaalaska.org (Daniel & Helen Buckwalter) at CC2MHS1  
Date: 3/18/98 9:36 AM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CAP  
CC: carlk@arctic.net at CC2MHS1  
Subject: SB 36--and IDEA funding

Dear Representative Phillips,

I am very disappointed that the SB 36 passed the Senate without full funding for the IDEA correspondence school that the Galena School District has developed. I have been in home education for almost 20 years and this program is by far the best thing that has happened for homeschooling parents in this state. I hope you will correct the inequity in this bill while it is in the House or see to it that in it's present form it is defeated.

I applaud the innovative and friendly approach the IDEA people have toward those who educate their children at home, and I hope you will use your influence to give IDEA the same funding that other schools in the state have been given. I feel they have used money wisely, and are making an all out effort to provide not only a service but one of excellence and their efforts and accomplishments should be recognized and rewarded. It seems unreasonable that those who are demonstrating significant progress in home education improvement should be forced to operate at 65% funding while other districts who have less to offer are operating with full funding.

I hope you will take time to become familiar with IDEA . They are a wonderful, friendly, and supportive group of people who are providing the kind of quality service that home educators are looking for.

Sincerely Yours for the Best in Home education,

Helen Buckwalter

Author: knox@alaska.net (jim knox) at CC2MHS1  
Date: 3/16/98 10:07 PM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CAP  
Subject: Senate Bill 36

I'm writing concerning the Senate Bill 36 which was recently passed, and will be soon voted on in the house. We're asking that you vote to either ammend the bill to restore full funding to correspondence students out of district or defeat it. We've been homeschooling for 14 years and this was the first year we were able to get any help for educational materials of our choice. We really appreciate not only this help in enhancing our curriculum, but also the other benefits the program offers. It doesn't seem right that a program that is doing so well should be cut in their funding, while other programs which don't offer as much are getting full funding.

Thank you for listening, Mrs. Knox

HC 47 Box 135  
Ami Home Parent 99554

Author: nharvest@alaska.net (natasha johnson) at CC2MHS1  
Date: 3/13/98 8:57 PM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CA'  
Subject: PUT MORE MONEY IN PUBLIC EDUCATION THIS SESSION!!!

Dear Gail Phillips,

As a parent I strongly urge you to put more money into our public schools here on the Peninsula!! My daughter attends Mrs. Brysons Kindergarten class at Sears Elementry in Kenai; which by the way is an excellent school!! The staff have learned to make-do with very little resources.

What is completely unacceptable, however, is the fact that they ARE FORCED to overload the classes. My daughter has 26 students in her class!!! This is a discrease to our state!!! We can do better then this!! About 40% of class time Mrs. Bryson spends on crowd control. If you think class size doesn't matter why don't you spend some time observing what goes on in the class room! I strongly believe we have some of the best teachers in the nation; they deserve more respect!

I urge you to put more money into our schools!!  
AND YES I WOULD PAY HIGHER TAXES !!!!!

Sincerly,  
Natasha Ala Johnson  
Box 1224  
Kenai, AK 99611  
283-0878  
email: nharvest@alaska.net

Author: pturner@alaska.net (Paul E. Turner; Ph.D.) at CC2MHS1  
Date: 3/15/98 7:36 AM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CAP  
Subject: Rural School Funding

Mr. Phillip's 30-40 idea for school funding is ludicrous. If the Federal government applied that to Alaska on a per capita basis what would our roads, ferry system, airports look like today. Please fight for school funding.

Paul E. Turner, Ph.D.

Box 270

Kenai, AK 99611

Author: fisher@xyz.net at CC2MHS1

Date: 3/13/98 9:48 AM

Priority: Normal

TO: Representative Gail Phillips at LAA\_CAP

CC: carlk@arctic.net at CC2MHS1, governor@gov.state.ak.us at CC2MHS1

Subject: school funding bill

Representative Phillips:

You will soon be voting on Senate Bill 36 regarding school funding. We agree that the state needs an overhaul in this area to make distribution of funds more fair. We disagree with a section of the bill that would fund correspondence students 100% in their own district, but only 65% outside their district. This discriminates against the IDEA program of Galena which offers far more than the program in our own district, including internet access, valuable workshops, and individualized curriculum. This is a very innovative program that creatively supports home-educating parents and continually comes up with new ways of using technology/internet in the education of Alaska's children. Is this inequity in funding designed to lure students back to their own district? This for the most part will never happen. The vast majority of these children, if excluded from IDEA, will return to being disconnected from all state programs because other programs aren't offering the individualized education these families want to give their children. IDEA is the only program in the state that offers this; why penalize a program that meets a need and will produce results (watch for test scores of IDEA students).

Please address the inequity of correspondence funding by funding them all at 100%, or if cuts are essential, by cutting them all equally.

Sincerely,  
Ken and Sally Fisher  
Homer, Alaska

Author: mcullen@galenaalaska.org (Mark & Rebecca Cullenberg) at CC2MHS1  
Date: 3/14/98 11:03 AM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CAP  
CC: governor@gov.state.ak.us at CC2MHS1, carlk@arctic.net at CC2MHS1  
Subject: Senate Bill 36

Dear Gail,

We are very disappointed with the senates decision concerning SB36. We urge you to ammend this bill to continue to fund I.D.E.A at 100% or to defeat this bill when it comes to the Alaska House for a vote.

We have enrolled 3 of our children in this program because it offers more help and services than the Kenai Peninsula Borough School District Correspondence program.

I.D.E.A offers workshops. help by certified teachers, internet connectivity is

provided along with an IBM compatible computer. Many district correspondence courses do not provide the means for students to have access to the latest technology. We have appreciated this I.D.E.A program tremendously. Please ammend this SB36 to fully fund the I.D.E.A program.

Sincerely, Mark and Rebecca Cullenberg  
Homer, AK.

Author: deruwe@arctic.net (Dave Deruwe) at CC2MHS1  
Date: 3/13/98 3:13 PM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CAP  
Subject: education funding

*PO BOX 62  
Summit  
9-7-98*

Every year citizens watch as the legislature refuses to properly fund public education. We write this type of letter or e-mail, feeling impotent to have any influence. The legislature seems hell-bent on making our children's educations inferior to those of their older siblings--all the while building tunnels to Whittier or multimillion dollar trails to Cordova. Our children need education now and they are not getting it.

In the current legislature there are several bills that reallocate public funds while trying to tax the rural areas--These bills are stupid--they add no new funds to education and our kids need new funds!

Here's the scenario in our local high school. Next year's projections call for a two teacher cut (equivalent to 14 class offerings per year) from a staff of 27. As two teachers coincidentally are planning retirement, this means no loss of jobs. What it does mean is some non-art certified teacher will try to teach my children art next year and some non-home economics teacher will try to teach my children home ec. next year. It also means the librarian who has no English certification may be teaching English next year, while the already overworked school counselor tries to fill in to help keep the library open part time. It also means that the 11th grade English and History sections will likely have seven or more extra students next year compared to this year when my daughter's English class already has thirty students in a room built for twenty. Meanwhile, should the school have any teacher openings, they will be harder to fill because the lower wage standards of past years have lowered the applicant pools and the quality of the applicant pools. The best teachers that used to want to teach here now often go elsewhere where salaries and teaching conditions are better.

We are watching the dismantling of our schools. The bleeding must stop. My children and your children, if you have them, deserve a better system. We can't keep cutting and taking away. Although it's doom and

Author: lkincaid@galenaalaska.org at CC2MHS1

Date: 3/15/98 10:41 PM

Priority: Normal

TO: Representative Gail Phillips at LAA\_CAP

CC: garydavis@legis.state.ak.us at CC2MHS1, governor@gov.state.ak.us at CC2MHS1

Subject: Senate Bill 36

Dear Gail, (Gary)

I was extremely disappointed to see that this bill passed the senate. It is my hope that with your help it will be ammended from its present form in the House. Bill 36 in it's present form would reduce its funding for out of District corresponding students. I currently have 4 kids enrolled in the I.D.E.A. program because the program offers more help and services than any other home district program in the Nation! It provides certified teachers, workshops, internet use, computer, enabling the World to be their classroom. I.D.E.A. also has regional parent advisory Committees who provide recommendations to administration regarding needs and wishes in the program and it also offers a wide choice of curricular material for the parent to choose what is suited best for their indivdual childrens' learning. I'm counting on you Gail, and you Gary, to change this Bill in its current form.

Respectfully,  
Byron Kincaid

Author: lcobb@galenaalaska.org (Larry & Suzan Cobb) at CC2MHS1

Date: 3/15/98 4:35 PM

Priority: Normal

TO: Representative Gail Phillips at LAA\_CAP

Subject: HB 36

The Cobb Family

P.O. Box 39082

Ninilchik, Ak 99639

Phone 907-567-3373

Fax 907-567-7381

Dear Gail,

It has been brought to my attention that there is an effort to cut the Galena I.D.E.A.'s program to 65% funding. I think that this is an outrage and a slap in the face to the tax payers. Why would someone's agenda want to disrupt the fine opportunity that the Galena I.D.E.A.'s program has provided for our family? I don't understand how rational people could support HB 36. Galena has provided an excellent opportunity for us to educate our children in the nurturing environment of our home with professional education assistance when we feel it is necessary.

They have supplied our family with learning tools that we were able to glean from this year that tremendously enhanced our learning environment for our children. Our own school district has had the same opportunity to reach out to the home schoolers in their area but for whatever reason did not have the vision that Galena's I.D.E.A. program has. This is America, land of the free, why would you support to penalize hard working tax payers that have benefited from Galena's foresight and Galena for reaching out to us? I just don't understand. Please don't support the 65% funding and do support education at it's finest and freedom and liberty to educate our children as we the parents see fit. Thank you for listening

Sincerely,

Larry and Suzan Cobb

Author: ericmary@galenaalaska.org (Eric & Mary Marchegiani) at CC2MHS1

Date: 3/15/98 11:44 AM

Priority: Normal

TO: Senator Randy Phillips at LAA\_TRANS, Representative Gail Phillips at LAA\_CAP,

Representative Eldon Mulder at LAA\_TRANS, governor@gov.state.ak.us at CC2MHS1

Subject: Senate Bill No. 36

Dear Governor Knowles, Senator Phillips, Representative Phillips, and Representative Mulder:

Please note that it is my understanding that Senate Bill #36 has passed the Senate. This means that the IDEA program that provides funding to Home Schoolers throughout the state is looking at a 35% cut in funding.

Now I know you folks are looking at ways to balance the budget but it does not make any sense to do so on the backs of the Children of Alaska. Additionally you normally look at cuts in the 5%-10% range. Are you cutting the Anchorage, Fairbanks, Sitka, Juneau etc. education budgets by 35%???? I seriously doubt it.

What is good for Metropolitan Anchorage and associated school districts should be the same for our Home Schoolers. Consequently, I am very disappointed in the Senate passing this bill (Randy how did you vote on this?). Secondly Representative Phillips and Representative Mulder you have an opportunity to reinstate 100% funding in this bill for the IDEA Program and others. If you are not going to fund the IDEA program at 100%, then I am recommending that you defeat this bill in its entirety.

You may wish to consider the following as some of the things that the IDEA program has provided to Home Schoolers in the past year. It has been a breath of fresh air and has provided assistance to those who have received nearly no assistance from the State or their respective Municipalities ---- yet continue to pay their property tax which pay for a large portion of the local educational system ---- for which they receive no educational benefit other than the recent IDEA program.

- 1) The majority of families enrolling in IDEA have done so because the program offers more help and services than the home district program.
- 2) Valuable workshops such as Excellence in Writing, Project-Based Education, Internet Use, etc. are provided to our families.
- 3) IDEA provides help as needed by certified teachers.
- 4) Internet connectivity is provided along with the use of an IBM compatible computer, enabling the world to be our "classroom". Many district correspondence courses do not provide the means for students to have access to the latest technology.
- 5) Regional Parent Advisory Committees provide recommendations to administration regarding needs and wishes in the program.
- 6) IDEA offers a wide choice of curricular material.
- 7) School-to-Work opportunities are provided. (IDEA currently has one of the highest placement percentages in the state)

There are many other factors that contribute to the IDEA program's success but there is not enough time and space to express that. Once again I urge you to Amend Senate Bill No. 36 in order to fund the IDEA program at 100% or defeat Senate Bill No. 36 in its entirety. Thanks for your attention.

Sincerely  
Mary Marchegiani

74016 Island Blvd  
Anchorage 99504

Author: hofseth@supersshadow.net at CC2MHS1  
Date: 3/13/98 10:31 PM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CAP  
CC: www.galenaalaska.org@smtpmail1.legis.state.ak.us at CC2MHS1  
Subject: SB 36

Please either amend or defeat SB36 so that the Galena Correspondence program will still receive full funding. As it stands now, this program is being singled out among other district correspondence courses to only get 65% funding. As stats come in from end of the school year testing, I think the legislature will see that all of all programs, this one is getting superior results.

Author: hofseth@supershadow.net at CC2MHS1  
Date: 3/13/98 10:40 PM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CAP  
CC: www.galenaalaska.org@smtpmail1.legis.state.ak.us at CC2MHS1  
Subject: SB36

I was disappointed to hear the Senate's decision re: SB36. Please either amend or defeat it so that Galena could still receive full funding. As it stands now, SB36 will allow that district correspondence programs will only get 65% funding. I have homeschooled for 12 years, and my oldest students are now in the high school with 4.0 g.p.a. Homeschooling works, and the Galena program helps parents do the excellent job they are doing.

Author: rhandley@galenaalaska.org (Robert & Leah Handley) at CC2MHS1

Date: 3/16/98 9:42 PM

Priority: Normal

TO: Representative Gail Phillips at LAA\_CAP

Subject: Change of address

Dear Gail,

After I sent the last transmission I found that it still had my old e-mail address. Here is the current one if you have need to get back with me:  
rhandley@galenaalaska.org

Thanks for voting against SB 36,

Leah

Handley

Author: fernwood@xyz.net (Bob & Leah Handley) at CC2MHS1  
Date: 3/13/98 10:21 PM  
Priority: Normal  
TO: Representative Gail Phillips at LAA\_CAP  
Subject: SB 36

Hi Gail,

Your picture on the internet is very nice! We are having our District Convention next weekend at the Anchor River Inn and we'll miss you.

I wanted to write and share my thoughts on the SB 36 in regards to funding correspondence programs outside of district lines. We are part of the IDEA Program which is based in the Galena School District. It has been very beneficial to our family and I'm sorry to see that the Senate has chosen to cut funding for such an outstanding program. I'd like to see the House defeat this bill or at minimum ammend it to bring IDEA's funding back up to 100%. I would ask that you consider doing so.

On a lighter note, Spring is in Homer! WE have tulips and daffodils peeking their heads out of the snow and the mud has started to run! HURRAH!! Also, I have cut my hair AGAIN!

Thank You, Gail.....Leah

Handley

3/30/98

H.E.S.S Committee  
State Capitol  
Juneau, Ak  
-99801-

H.E.S.S Committee,

I'm against Senate Bill 36. I would like to continue attending Innoko River School, because its nice and quiet out here. I'm not ready to leave home yet.

Dwayne Benjamin

3/30/98

**H.E.S.S Committee  
State Capitol  
Juneau, Ak  
-99801-**

**Dear H.E.S.S Committee,**

**My name is Jackie Collins. I am a student at the Innoko River School in Shageluk, Alaska. We are in the Iditarod Area School District. A couple of weeks ago students in IRSD area had a teleconference together to talk about the Senate Bill 36. Together we came up with a Resolution against Senate Bill 36.**

**If this bill passes, we will lose teachers, maintenance, and sports trips. There will also be no more special events such as Youth Days, Dinayetr, Governor's Health Conference, other conferences in Anchorage. Grades k-12 will have to be in one class with one or two teachers. Our parents will then have to send high school students to boarding schools, and schools in Anchorage or Fairbanks. Who will pay the expense's for rural high school students to attend other school's? Personally, I think there will be more high school drop outs.**

**Please consider what will happen to Rural Alaskan Students if this Bill passes. There will be more over crowded schools in Anchorage then there already are.**

**Thank you for your time,  
Jackie Collins  
Innoko River School  
Shageluk, Alaska  
-99665-**

3/30/98

H.E.S.S. Committee  
State Capitol  
Juneau, Ak  
-99801-

Dear Senators/Representatives,

Hi, my name is Keith Workman. I am a Senior at the Innoko River School in Shageluk. I am concerned about SB 36 because it would really affect Rural Alaska. If it passes the city schools would get more of our money. It would lead to the shut down of many small rural schools or they would have to run only from the 1st on up to the 8th grade. I would not want my fellow classmates to be forced into city schools.

Most small rural schools should be able to keep the money and keep on teaching. We don't even have enough money to travel on trips for sports and lots of educational trips. I also would want the future of the rural schools to keep up the good work on educating Alaska's youth.

It is really important to stay in the village, our hometown and learn both school work and our traditional ways of living.

Please vote against this bill!!

Keith Workman a student at the  
Innoko River School.

3/30/98

HESS Committee  
State Capitol  
Juneau, Alaska  
99801

Dear member of the H.E.S.S. Committee,

My name is Sonta Hamilton. I am a 7th grade student at the Innoko River School in Shageluk. I am very, very, very concerned about Senate Bill 36 and am trying hard to think about what will happen to me and my future kids.

Well, I thought about my school and what it has now. My school has a small library that doesn't have updated books. They're probably 10 years old. Our classroom textbooks are the same way.

Don't you know why we get more money? The reason is because we can't get to see museums every week. We'd have to fly in to see one. We need money for the sports trips which helps us compete and stay healthy. If you guys cut funding we also wouldn't have programs like Bilingual or Special Education. Another thing is that you guys just gave us the money and now you say that's it's not fair to urban schools. In our maintenance last year we didn't even have enough money to make basic school repairs on our fire alarm system.

The effect that it will have on our schools if it passes is that we students may have to do our own maintenance. We won't even be able to afford to buy animals for projects. In Anchorage you can just go to the pet shops and get deals like that. We have to pay shipping. We will also have one less teacher in our school.

In the Anchorage newspaper last week you said that Anchorage has overcrowded rooms, well, I invite you to come to our small school and see our K-3 in a class, 4-6 in a class, and 7-12 in a class but our poor school wouldn't have enough money to pay for it.

Please vote against Senate Bill 36. It will effect many other rural schools and children.

Sonta Hamilton  
A student that lives in a poor rural school.

**3/30/98**

**H.E.S.S Committee  
State Capitol  
Juneau, AK  
-99801-**

**H.E.S.S Committee,**

**Mg name is Roger Hamilton, i am a 7th grader at Innoko River School. I am against the Senate Bill 36. I think that it will affect the culture of Shageluk and it will affect me if this Bill passes. Because I am having a hard time in school already. I like to hunt, and get outdoors a lot. If I'm in a city I would be able to do nothing cultural.**

**Roger Hamilton**

March 31,1998

H.E.S.S. Committee  
State Capitol  
Juneau, Alaska  
-99801-

My name is Brandi Hamilton, I am a 9 th grade student at the Innoko River School in Shageluk, Alaska. I am concerned about the Senate Bill 36. If you vote for this bill to pass, a lot of students in Rural Alaska would be very upset and angry if the bill passed. Then students would either drop out or have to go to urban schools. We would also not be able to travel for things like Youth Days, sports, and conferences. For kids who go to school in Anchorage, and some urban schools live in places were there are museums and all they have to do is jump on a bus or in a car and drive to the places. Kids in Rural Alaska schools would have to fly to the city or wherever to go to things like museums. We students in our Rural villages would want to stay in their villages because we would have to get to know the people and the place.

Brandi Hamilton

March 21, 1998

The proposed SB.36 requiring local areas to significantly fund the schools would be a disaster for Eagle and our children. Our community is very isolated and remote and there are few paying jobs. Most people survive through subsistence activities and many different odd jobs for income.

Due to the remoteness of Eagle, our children have few opportunities for education, socialization and cultural exposure. The Eagle School provides a wonderful environment, membership and activity center for the children and for the community. The public health nurse, dentist and many others who travel to Eagle to provide services stay at the school and also provide their services at the school. Community activities, head start and cultural activities take place at the school and it is a vital part of our community. In addition, the school holds many historical pieces on display for the community and visitors.

We have an excellent staff at Eagle and they provide our children with the basic skills for life while making learning fun. There is an exceptional computer program system for K-12 and music is available, as well as, vocational education, foreign languages, and there is a strong emphasis on science and math.

Eagle's population fluctuates for many reasons, at the most we have is 180 local residents year round. Our school enrollments reflect this population fluctuation and make our problem one of continual danger and peril from funding cuts. We have strong parent involvement in the school, with the children, and in the community, however, and we are working to keep our school open.

Eagle Community School is critical to our community and our children. Please consider every option and work to meet the needs of all children, schools and communities, both rural and urban. The future of our children depends on the decisions you make. Please make them as if you were making them for your children. All our children deserve opportunity and the right to basic education is fundamental to our society and our future.

Please reply to: Donna Westphal  
P.O. Box 60  
Eagle, AK 99738

Thank you for your time, your efforts  
and your reply.

Donna Westphal

To:  
 From: Jackie Mitchell P.O. Box 68, Eagle, Alaska 99738  
 Date: 3/23/98

Re: School funding, Borough, City taxes proposition, for rural Alaska.

I have concerns for Eagle Community School. As an ASB member, as a parent, and as a homeowner, I believe that SB36, SB337, and others, are not acceptable to Rural Alaskans residents, for several reasons.

- a). Changing Districts to Boroughs would enlarge the amount of rural areas per each, placing an honest funding at a more biased opinionated situation.
- b). Placing city taxes at any stated Mill rate is wrong. You would never get the funding needed, due to ANILCA & the amount of Federal Controlled Land, & still be "equal" to the people. Also, once this was instated, what would keep the stated 1 Mills tax rate from going up to say, 25 Mills, after the next couple of years?
- c). Your proposal would reduce funding for rural schools considerably, when, in fact, they have the most costly situations. For instance, have you taken into consideration, the price of oil for heating, or the price of electricity, even to keep a school open? Or even travel expenses, for those communities such as ours, when the road is closed for at least 6 months of the year?

I am quite willing to pay an equal share for public schools, for these children today, are our future leaders. That's not the problem. Bad tax, employment tax, are not bad ideas, for a start. But not city tax. Reason, other than stated above, is that a great deal of the taxable homeowners in this area, live outside the city limits. I believe the solution would have to come from the state, or, more preferably, even the PFD. That's about the only way I see that each & every Alaskan pays their share.

I know what was called in on your televised conference. The numbers stated for students & teachers here in Eagle, do you realize, was stated by a middle school student? Actual numbers are, 21 students, & 3 teachers, one of which we are losing this year, due to lack of students. I can understand that, & accept it. What I can't understand, is, also losing our half time secretary & principal. Our present principal is also our full time primary teacher. Losing one, perhaps, but why both? Who would be expected to tend to their many duties?

I have a daughter in 10<sup>th</sup> grade, this year, expecting to go to college. I also have a daughter who graduated from this school last year, & is presently in Juneau University of Alaska. She states, that had it not been for our high school teacher's methods of teaching, she would not have been at all prepared for this University. She is presently in school to learn to be a primary teacher, with, hopefully, Special Education Credentials, for this state. It would be a pity to see her, & others like her, to be "put off" by the state's lack of consideration for rural schools, which is where she wants to teach.

We have had problems with teachers in the past, but our present staff is nothing but terrific, thinking of the students first, instead of themselves. I feel they should be commended for their achievements with the students, instead of put in a chart that shows rural students' knowledge has declined. There is only so much that a multi grade level teacher can do, but our teachers here in Eagle, have repeatedly excelled in this. If you must give them a cut in pay, for instance, that is understandable. But don't, in the same breath, "put them down" for being lacking.

Thank you for reading my comments.

Sincerely,

*Jackie Mitchell*

Jackie Mitchell

To:

From: Jack Boone Box 32 Eagle, AK 99738

Date: 3/22/98

Re: SB36, SB37, and other attempts to change the foundation formula for school funding and/or devise a taxation solution for rural Alaska.

The present attempts at these measures are unacceptable to rural Alaska residents.

The two questions to be answered are: How much money do rural schools need?  
Where's it going to come from?

As to the first question, one need only compare present levels of funding for rural schools vs. funding for urban Alaskan schools, and average educational levels attained by rural students vs. urban students; to see that in order to achieve the goal of education in rural Alaska at least equal to that in the urban areas, the level of funding in rural Alaska would have to go UP, not down.

The reasons for this are many, and not all would agree on what they are, so I will not repeat them all in this letter. The result, however, is plain. More money must be spent on schools in rural Alaska, or educational quality will continue to suffer. If this problem could be addressed in another way, making education more cost efficient in the bush in some manner, great. But that answer will not be found by reducing funding and abdicating the responsibility of the state first.

I cannot intelligently address the actual numbers by which funding would be reduced in SB36. But I believe Senator Lincoln's statistic that 13 of 16 districts in District R would see funding reduced. And on a local level, Eagle Community School, Alaska Gateway District, I believe the numbers being quoted by Superintendent Hargreaves and Principal Millard that the reductions would be great enough to cause drastic reductions in services offered.

So on to the second question: Where should the money come from.

Obviously, those who live in rural Alaska should pay their fair share. But there are some real problems existing that with school support. The main problem is that, due to ANILCA and the vast amount of land under Federal control in Rural Alaska, most of the property is not taxable and most of the residents are effectively exempt from taxation. This is a problem not faced on this scale by urban Alaska. This problem was not created by those few of us who are non-native, don't work for the Federal Government, and live in Rural Alaska. And there sure aren't enough of us to pay the share of all those who don't have to pay, directly and indirectly. So create a statewide income tax if necessary to make up the education shortfall, or devise some other scheme where all Alaskans share the financial burden placed on us by ANILCA and the Federal Government, but don't abdicate your responsibility to provide education for rural Alaska and lay the problem at the feet of those few of us who would have to try to pay for it.

This question is totally separate from the question of whether rural Alaska should be organized into Boroughs, or otherwise taxed. The amount collected thereby would not support the schools.

Jack Boone

March 31, 1998  
H.E.S.S Committee  
State Capitol  
Juneau, Ak,  
- 99801-

H.E.S.S Committee

My name is Harriett Arrow. I am a 9th grader at the Innoko River School in Shageluk, Alaska. If the S.B. passes most of the people in the village will be very upset. Because their kids will probably have to move to the city where there is violence and it is pretty dangerous in the streets. A young native person walks down the street, might get shot and just because some people don't like natives in Anchorage or Fairbanks.

I rather live and stay in my village and school where I know everybody and where everybody knows me. If kids here move to the city, they probably will forget or lose their culture and the fun things they do in the summer and winter.

Please do not support the S.B. 36. Think about what kind of education the parents in the villages want for their kids.

From,  
Harriett Arrow

Sharon L Fredericks  
P.O. Box 217  
McGrath, Alaska 99627

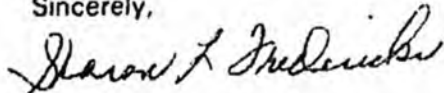
March 31, 1998

Members of House HESS  
Representatives Green, Bunde, Vzey, Dyson, Porter,  
Brice and Kemplen

Opposition of SB #36

Senate Bill 36 is a negative bill for all the rural schools. The legislators that are pushing this bill should realize that our children mean just as much to us in Rural Alaska as it means to their own children living in Urban communities. By cutting the funding for rural schools and giving to urban school is so unfair and unjust because they are not treating our children as equal. Our children are just as important and need just as much education as those in urban areas. Taking money from the rural school districts that are already barely getting by is not the answer.

Sincerely,



Sharon L. Fredericks

April 1, 1998

Dear Members of the House HESS;

I'm writing in opposition to SB36. The passage of this bill would cause an undue hardship on the education of the children in rural Alaska. There are very few jobs in the villages, and families depend on subsistence to make ends meet. How do you expect us to pay taxes if this bill was to pass??? The future of our children depends on this bill, please do not take money away from them. Thank you for your time and I hope that you deny the passage of this bill.

Sincerely,

*Ernie Peters*

Ernie Peters  
Box 25  
Holy Cross, AK 99602

April 1, 1998.

H.E.S.S. Committee  
State Capitol  
Juneau, Alaska

99811

Dear H.E.S.S. Committee,

My name is Amber John. I am a 7th grade student at the Innoko River School in Shageluk, Alaska. I am very concerned about this S.B. 36. In the Anchorage Daily News, Randy Phillips said that Anchorage schools are overcrowded, but so are we! Here in rural Alaska we are overcrowded and multigraded. In Anchorage they have 1 or 2 grades in one classroom.

If this bill passes there might be more high school drop outs. Then parents will have a hard time with their kid or kids and be sad when they send their kid or kids away just to get a education! I mean think how we feel about this S.B. 36. Our schools might get shut down or we might not have any high school students. But you people don't think about stuff like that! If I was you I would stop and think about this more! Please don't support this S.B. 36. Thank you if you don't support this S.B. 36 and if you do support this S.B. 36 please think more about this! Thank you for your time.

Sincerely,  
Amber John

**Holy Cross Tribal Council**

Tribal Family & Youth Specialist  
P.O. Box 191  
Holy Cross, Alaska 99602

April 1, 1988

Members of the House Hess:

Representative Green  
Representative Bundy  
Representative Wazey  
Representative Dyson  
Representative Porter  
Representative Brice  
Representative Kemplen

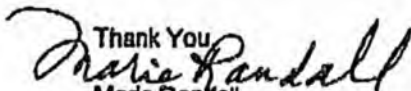
Dear Representatives of Alaska:

As the Tribal Family and Youth Specialist for the Tribal Village of Holy Cross, Alaska, I am writing to you in opposition of House Bill 38. Holy Cross School is in the Iditarod Area School District and the results would be devastating for the Students in the District, there would be a million dollar loss from their education if House Bill 38 was to pass the House. Do you know what a devastating impact this would have on the Native students who depend on these very dollars to survive in being educated in two worlds? Bi-lingual and Bi-cultural education is of a priority for these students to understand the basics in reading, writing, spelling, and arithmetic. With Alaska rating low scores in the National ITBS tests yearly, do you know how House Bill 38 will further impact the results of this test if it were to pass?

I speak to you from my heart. I am a mother of five children: Three of my children are teenagers. Two are in elementary. I see the needs of a tutor, one of my children is in special reading class. He is a fifth grader and reads at a third grade level. Do you know the frustration he feels when he can't read as well as some of his other classmates? Do you know the frustration I feel as a mother to see how desperately this child needs extra help? Do you know that if House Bill 38 pass, that my child will not receive the extra professional help he need?

Please, look around you, at the children. Imagine, this being your child, who needs help. Would you cut their education in half? Would you cut their chance of being educated fairly and with all benefits?

Please oppose House Bill 38.

Thank You  
  
Marie Randall

Tribal Family & Youth Specialist



# Alaska State Legislature

Please enter into the record my testimony to the H-HESS  
 committee name  
 committee on S.B. No. 36, dated March 26, 1998.  
 bill/subject

Senate Bill 36 is advertised as a bill "to bring simplicity and fairness to the way Alaska funds its public schools."

Sec. 1 states that the purpose of Sec. 2 is to "provide a level of funding through the public school funding program that allows for an equitable level of educational opportunities."

Sec. 14.17.430 singles out, out-of-district correspondence students and calls for cutting that student allocation to 65%. How can the sponsors view this as equitable? The expense involved in educating children through a correspondence program is equal no matter where they live.

If one district offers a correspondence program better suited for a particular family's needs, than what is offered by their local district; why should out-of-district students be financially penalized for having their curriculum mailed to them from another district? Children in public schools are channeled according to their special needs (gifted programs, special reading programs etc.). Passage of Sec. 14.17.430 would eliminate any curriculum choice with correspondence students.

Forcing students to stay in their district limits educational opportunities. Forcing out-of-district correspondence students to operate on 65% funding is inequitable.

Signed: Joseph H Spann Joseph H Spann  
 Testifier

Representing (Optional)

HCO3 Box 8102-E Palmer AK  
 Address

746-0209  
 Phone No.



# Alaska State Legislature

House HESS #

Please enter into the record my testimony to the

House Finance  
committee name

committee on

Senate Section 1417.430  
Bill 36 - School Funding  
bill/subject

dated March 26 '98.

Re: Senate Bill 36 sec. 1417.430, Concerning proposed simplicity and fairness in school funding?! I must voice serious concerns on the proposed budget cuts in the key area of correspondence studies. Correspondence studies/Homeschooling is a very viable, alive area of alternative schooling here in AK. Homeschool children have proven worth in high standardized test scores and overall quality of work. Please encourage those families who, for whatever reason have chosen the correspondence programs. Budget cuts in this area would not mean the children would flock to the public schools, only that the parents would shoulder the additional responsibility.

Signed: Karl To Johnson  
Testifier

Representing (Optional)

HCO2 Box 7816

Address

Palmer, AK 99645 745-5441

Phone No.



# Alaska State Legislature

Please enter into the record my testimony to the House Hess & H Fin  
Senate Finance  
 committee name

committee on Senate Bill No. 36, dated 26 March 1998  
 bill/subject

Dear Alaskan Legislators,

Regarding Sec. 14.17.430., please give full -100% - funding for correspondence study. Our three children, Ben Zwink, age 10, Andrew Zwink, age 8, and Sara Zwink, age 5, are enrolled in the correspondence study program through the Copper River School District. If the state funding was cut to 65% of its current level, our children would not be receiving "an equitable level of educational opportunities" - as stated in the purpose of Senate Bill 36 - Section 1.

We feel that correspondence study superbly meets the educational needs of our family. Decreasing the funding would mean that many families across the state would have to make even further economic sacrifices in order to provide a complete and high quality education for their children.

Please help strengthen and maintain Alaskan families' high educational standards and fully fund correspondence study. Thank-you.

Signed: Lynnette J. Carrier Lynnette J. Carrier  
 Testifier David L. Zwink David L. Zwink

Alaska's future - our children!

Representing (Optional)

P.O. Box 871236, Wasilla, AK 99687

Address

373-2956

Phone No.

House District 36

- Alatna
- Alcan
- Allakaket
- Aniak
- Anvik
- Arctic Village
- Beaver
- Bettles
- Birch Creek
- Canyon Village
- Central
- Chalkyitsik
- Chicken
- Chistochina
- Chitina
- Chuathbaluk
- Circle
- Circle Hot Springs
- Coldfoot
- Copper Center
- Copperville
- Crooked Creek
- Dot Lake
- Dry Creek
- Eagle
- Eagle Village
- Evansville
- Fort Yukon
- Gakona
- Galena
- Grayling
- Gulkana
- Healy Lake
- Holy Cross
- Hughes
- Huslia
- Kaltag
- Koyukuk
- Lime Village
- Livengood
- Lake Minchumina
- Lower Kalskag
- Manley
- Marshall
- McCarthy
- McGrath
- Medfra
- Mentasta
- Minto
- Nabesna
- Nenana
- Nikolai
- Northway
- Nulato
- Pilot Station
- Rampart
- Red Devil
- Ruby
- Russian Mission
- Shageluk
- Slana
- Sleetmute
- Stevens Village
- Stony River
- Takotna
- Tanacross
- Tanana
- Telida
- Tetlin
- Tok
- Tuluksak
- Tyonek
- Upper Kalskag
- Venetie
- Wiseman

# Representative Irene K. Nicholia

State Capitol • Juneau, Alaska 99801

Phone: 465-4527 FAX: 465-2197

Toll Free: 1-800-491-4527

E-Mail: Representative\_Irene\_Nicholia@Legis.state.ak.us



*Resources  
Rules  
Military and Veterans Affairs  
World Trade and State/Federal Relations*

## MEMORANDUM

TO: Representative Con Bunde, Chair  
House Health, Education and Social Services Committee

FROM: Representative Irene Nicholia *IN*

DATE: April 1, 1998

SUBJECT: Senate Bill 36

Attached you will find letters and resolutions from residents of House District 36. The letters are from people in all walks of life, from school children to tribal elders. My district is united in its opposition to passage of Senate Bill 36.

Please distribute these letters to members of your committee. I would ask that, by reference, you read them into the permanent record of the House HESS Committee.

I strongly urge you to listen to the pleas of Alaska's people and vote against moving this bill from your committee.

**All Interested Parties:**

I know the urban area schools are overcrowded. I also know as soon as you build a new school in the city, it is filled to capacity the first day it opens. I do not think SB36 is the answer though. I am opposed to SB36

I think we need to work together and find out the best method. We need to find a method where no one loses and everyone gains. SB 36 is not doing that. This bill is causing a lot of fiction between Rural and Urban communities. We cannot afford to do this. Our children from both areas are important, I would love to see our children grow up and be able to live or work in either area (urban or rural). They should be educated and trained to be able to find work in either area.

SB 36 is not answer. I suggest everyone go back to work and find a method that will benefit all students. Children are our future, we need to give them all the advantages we can. The more money we spend on them now, the less money we will have to spend in the future, they will become a asset to us. We will not have to put so much money into prisons and Division of Family Youth Services, if we do our job now.

There must be a way we can address the school funding issue with respect, care, and understanding for all. We need to realize each district is different, just as each student is different. Those of us who are parents all understand that some of our children cost more then others. We cannot spend equal amount of money on each. Some have a need for glasses or excessive dental work. Some go to college, while others join the service. You cannot in the State of Alaska consider money divided equally as being equal. If \$2.50 is all that is given for a gallon of milk, since I live in McGrath I would not even be able to buy a half gallon. WE DO HAVE THE JOB OF MAKING SURE EVERYONE HAS THE OPPORTUNITY FOR A GOOD EDUCATION You have a tough job and a lot of people are behind you, but a government for ALL people needs to take preference. Thank you.



Patty Baldwin

Box 72

McGrath, Alaska 99627

March 31, 1998

House District

Summit, Alaska

Dear Representatives of the House,

I am writing to inform you that I am totally opposed to your bill (SB36). I live in rural Alaska all my life and it is very expensive living out here. If you don't have a job with a job and family it makes it a little easier, but not much. I did to really work hard in high school to earn my diploma. The schools in my area need the funding to keep providing valuable education to our students. If the funding isn't there, we are going to see a lot more students dropping out of school. As adults we keep telling our youth that "they are going to be our future leaders" we need to support them and one way is to keep the funding in the rural schools.

I just can't believe that bill (SB36) passed the Senate; it really shows that the Urban legislators are fighting our Rural legislators, and I encourage all the House Representatives to vote down SB36 and to continue working for the benefit of all Alaskans.

Thank-you!

Sincerely,

Phillip J. Demientieff Sr.

Phillip J. Demientieff Sr.

P.O. Box 84

Holy Cross, AK 99602

cc: Senators

**MEMORANDUM**

3/31/98

**TO:**

All House & Senate Legislators  
State Capitol  
Juneau, Alaska 99801

**FROM:**

*Agnes Tony*  
Agnes Tony, Advisory School Board Member  
P.O. Box 9147  
Nikolai, Alaska 99691

**RE: Senate Bill #36**

I am writing regarding Senate Bill 36 which is very alarming for rural school children because it takes away what little they have in the way of education. I keep hearing the word "equity" which, we in the bush, relate to real well as that's been our push for awhile now. I fail to see where there would be equity in this bill at all. I know that passage of this bill will impact the small bush communities in a lot of ways and it's also obvious to me that this was timed to take effect before the 2000 census year. I can see where families would have to leave their communities to move to bigger communities so their children will get the education they desperately need. The influx of families moving to urban areas to seek better education will definitely mean limited funding for rural bush Alaska. BUT, I can also see families torn apart because the children would have to leave their communities to attend school. Some time ago, someone mentioned that urban areas were complaining about lack of schools for their children and that person said "Why not send the urban kids to the bush communities who have schools that are in danger of being closed due to limited enrollment?". Now, why not? We have modern schools out here with a lot of classroom space and passage of this bill will make these buildings vacant. What will happen to all the funding that was used for the construction of these buildings? Is this what equity means? Please consider the whole situation and think of us out here before voting NO on this bill. Also, whatever happened to the Molly Hootch case?

TO: Representative Irene Nicholia's office  
FAX # (907) 465-2197

3/31/1998

I am writing to let you know that I am strongly against Senate bill 36. It is very unfair to rural Alaska. As it is rural Alaska suffers from lack of access to many services that the urban area benefits from. For example their access to libraries, agencies, businesses, and many other resources. The rural schools also suffer from the high cost of living which affects the schools budgets.

PLEASE DO NOT support SB36. Do not take away valuable funding that the rural schools so desperately need.

Please give a copy of this letter to all those who will be voting on this bill. Thank you.

Sincerely,



Debbie Turner  
Box 115  
Holy Cross, AK. 99602

Top of the Kuskokwim School  
PO Box 9190  
Nikolai, AK 99691  
4/1/98

To Whom It May Concern (RE: Senate Bill 36):

I have taught in rural Alaska since 1977, and am **appalled** by the recent urban support of Senate Bill 36.

Rural students need and deserve a quality education. To change the funding base in favor of larger schools, as proposed by SB 36 would take away the rural students' schools, thus jeopardizing the future of all communities in rural Alaska. This would have a negative impact on the **entire** state of Alaska.

Rural communities need to speak up and unite in giving Juneau a wake-up call to keep our small schools.

*Candace Waruch*

Candace Waruch  
Teacher  
907-293-2449

~~Representative~~ Irene Nikolai  
Alaska State Legislature  
Juneau, AK 99801

March 27, 1998

Joel Ross Carpenter  
P.O. Box 9126  
Nikolai, AK 99691

Dear Mrs. Nicholia

My name is Joel Carpenter. I'm 11 years old and in the 6th grade. I have gone to school in many rural villages. Currently I'm living in Nikolai, Alaska; my mom is the 6th - 8th grade teacher.

I don't support Senate Bill 36 because if it passes many people in rural villages will lose their jobs. Here in Nikolai about 1/4 of the people will lose jobs because of Senate Bill 36. It may cause 8 out of 9 schools in our district to be closed; this includes Nikolai's school. If the school gets closed the power plant may get closed also, because of the school funding it.

The reason it costs more money to educate us is because we heat & maintain a school built for about 100 students, when we only have 26 students. That's not the students' fault, and we shouldn't have to pay for the mistakes adults made before we were even born.

I propose that we do away with Senate Bill 36 because of how poor our schools are, and try to come up with a solution that will benefit all of Alaska's kids.

Sincerely,

Joel Ross Carpenter  
Joel Ross Carpenter

I really dont like this bill. My family  
and friends will be poor and out of jobs.  
We will be forced to move if we want a proper  
education.

Please dont pass this bill, I would be  
very grateful if you dont.

Thank you.

Sincerely,  
-Royce Holm  
Royce Holm

Irene Nicholia  
Alaska State legislature

Juneau, Alaska, 99801

3-23-98

Royce Holm  
P.O. Box 4144  
Nikolai, Alaska 99691

Dear Irene Nicholia

My name is Royce Holm. I'm 13 years old, and I'm in the eighth grade attending Top of the Kuskokwim School in Nikolai, Alaska.

I'm against Senate Bill 56 because it is very unfair. If this bill passes I will be put out of an education. I really don't want to move.

The school will be shut down. My family will have their electricity shut off because the city can not afford the electricity. The generator will be shut down. Everyone in the town will have to go back to a subsistence way of life.

Most of the teachers in the school district will be put out of a job and they will have to move. Many people will lose their jobs if the school is shut down or budgets decreased. If you help this bill pass you helped ruin the lives of everyone in rural Alaska.

Senate Bill 36 is unfair because it's taking the only chance of getting an education away from many kids in rural Alaska. Since you guys had a chance as a kid, you should be considerate enough to give other kids a chance. You also need to realize that the teachers spent four years going to college to be a teacher. They also have to support their families. Many of these teachers are from rural Alaska. It's like your wasting 4 years of these teachers' lives, and forcing them to be jobless or move from their homes. I do not want the Senators or Representatives to pass Senate Bill 36.

Sincerely,

Sarah Joy Holm  
Sarah Joy Holm

Irene Nicholia  
Alaska State Legislature  
Juneau, A.K. 99801

3-27-98

Sarah Joy Holm  
Box 9144  
Nikola A.K. 99691

Dear Irene Nicholia

I am Sarah Holm, and I'm in the 7<sup>th</sup> grade. I am an Alaskan. I used to live in Homer, A.K., but I moved to Nikolai because my dad and step-mom live here. I am 11 years old.

I do not support Senate Bill 36, because it's not fair. It's not fair because it's stealing money from our school, and putting it in other schools. If they pass Senate Bill 36 our school will be shut down. This will cause the city electric company to have to go out of business, because it's supported by the school. That means there will be no heat, running water, or electricity.

Irene Nicholia  
Alaska State legislature  
Juneau, AK 99801

March 26, 1998

Andrew Runkle  
P.O. Box  
Nikolai, AK 99691

Dear Irene Nicholia

My name is Andrew Runkle. I am 13 years old and in the eighth grade. I will be going to a rural high school next year. I plan on playing high school basketball.

If Senate Bill 36 takes our funding away and gives it to urban schools, we will have no sports at our schools; we won't have a good school to go to. People will have to move away from their homes, send their kids to boarding schools, or else they will just have to teach their own kids.

I think this is unfair. There will be a lot of kids that would drop out of school because school won't be fun anymore. Some of my friends are already saying that they'll drop out of school if this happens.

A lot of families in rural areas aren't rich enough to move to Anchorage or Fairbanks so their kids could go to school. These are some of the reasons that I don't support Senate Bill 36.

Sincerely,

Andrew Runkle

Irene Nicholia  
Alaska State Legislature  
Juneau, Ak. 99801

March 25, 1998

Dietrich M. Nikolai  
P.O. Box 9153  
Nikolai, AK 99691

Dear Irene Nicholia

My name is Dietrich Nikolai. I am 13 years old and I'm in the 7th grade. I really look forward to playing basketball when I go into 7th grade.

I'm against Senate Bill 36 because I probably won't be able to go to school here for my last year. If the State shuts down these schools, the City of Nikolai will be forced to shut down the generator. We won't have any running water or electricity. This town won't be fun to live in any more if all this happens.

If you think about how Senate Bill 36 will realistically affect rural Alaska, you will realize that it could destroy all of our lives. Most of us won't be able to get a good education, and we will have to get sent away from our families to attend boarding schools.

Everybody will lose their jobs, even my mom will lose her job working here at the school. So I really hope that the State Politicians don't allow this to happen to us and all the other schools around the district.

Please, vote against Senate Bill 36. Don't take away our future.

Sincerely,

Dietrich Nikolai

Alaska State Legislature  
Juneau, AK 99801

March 27, 1998

Brandon P. Esai  
P.O. Box 9144  
Nikolai, AK 99691

Dear *Irene Nikolai*

My name is Brandon Esai, and I'm in the 6th grade. I am 11 years old.

My problem with Senate Bill 36 is that I might not be able to go to school here next year. If our school gets shut down our power plant will get shut down also, because the school supports it. Then the whole town of Nikolai will have no electricity.

A lot of people will have to move from Nikolai. They will have to go to McGrath, Alaska. McGrath will have a lot of people if people from Nikolai move there, but the adults won't have any jobs. I don't want to move. Our teacher, Michelle Carpenter, won't have a job; she's from McGrath, so she'd have to leave her home too. These are the reasons why I don't want this bill to pass.

Sincerely,

*Brandon Esai*

Brandon Paul Esai

Representative Irene Nicholia

Alaska State Legislator

Juneau, AK 99801

March 27, 1998

Angela Tony

P.O. Box 9147

Nikolai, AK 99691

Dear Irene Nicholia

This I am Angela Tony and I am thirteen years old. I am in seventh grade and I am from Nikolai, Alaska.

I don't think Senate Bill 36 is a good thing because I live in a small village. If this bill passes I will have to leave Nikolai and I don't want to. It will affect everyone in Nikolai.

People will lose their jobs. There might not be any more electricity in Nikolai. I hope you think about what will happen to all the people this will affect. I lived in Nikolai all my life and I really like it here. It's what I am used to. Please, do not let this bill pass.

Sincerely,

Angela Tony

Angela Tony

Representative Irene Nicholiz  
Alaska State Legislature  
Juneau, Alaska 99801

03-23-98

Miranda Betty Petruska  
P.O. Box 9162  
Nikolai, Alaska 99691

Dear Ms. Nicholiz,

My name is Miranda Betty Petruska and I live in Nikolai, Alaska. I go to the Top of the Kuskokwim School. I am thirteen years old and in the eighth grade.

I do not support Senate Bill 36 at all. I just wanted to say what would happen if that bill passes through. My school will probably get shut down. Most people here will lose their jobs; that includes my family members. The electricity in this town will probably get shut down because the school supports the electricity here and the school might have to close. There may not be a lot of kids here but the school district still has to maintain the schools.

Think about what the ramifications to rural Alaska are if Senate Bill 36 passes. We won't have lights; we will have to wash our clothes by hand, we won't have running water, we won't be able to use our computers; we won't be able to take showers; and some people who have electric furnaces won't have any heat.

I think you guys are going way over board with this. You don't have any idea how this specific school works. If you support Senate Bill 36 you will probably destroy some children's futures. I was planning on going to high school in Sitka, Alaska; now I'm concerned that this won't be a possibility. There is possibly some kid out there who wants to be a teacher and teach in rural Alaska, but will have to give up that dream.

If you support the bill you will be ruining the villages just to support a few cities. That is so unfair. You should put yourself in a villager's position and see how it feels. I feel scared, frustrated, and very annoyed.

Sincerely,

Miranda Betty Petruska

Miranda Betty Petruska

3/23/98

Stephanie Petruska  
P.O. Box 9111  
Nikolai, AK 99691

Dear, *J. Gene L. Nikolai*

Hi, my name is Stephanie Petruska. I am 13 years old, and I am in the 6th grade. I go to school in Nikolai, Alaska.

I do not want to support Senate Bill 36, because it might cause our school to shut down, and our electric company too. It is not good. We won't have any lights or running water. We will have to carry water from the river, and use a candle or start a fire to see. We will have to wash our clothes where there is water and rocks mixed together; maybe down by Salmonberry Lake. I'd rather go swimming at the lake than have to wash our clothes.

It will be no good to shut down our school. The parents want their children to go to school at home, and not have to go somewhere far away to go to school. I have a little brother who's 5 years old. I don't want him to have to live with strangers at a boarding home if he's going to go to school.

That's why I don't support Senate Bill 36. You shouldn't support it either, because too many people will get hurt by it.

Sincerely,

*Stephanie Petruska*

Stephanie Petruska

Please speak with the Governor about this. We want to know what he's doing to work with the legislature to help solve this problem. We'd rather worry about whether we're going to get an "A" on our science test tomorrow or whether we're going to be ready to teach our students something new next week, than worrying about whether our dreams of a successful & productive future are no longer possible!

Sincerely,

Top of the Kuskokwim School students & staff

Michelle Carpenter	Nick Alexie SR
Martha Nekocent	S hal Enawi
MIRANDA PETRUSKA	L Ann
Mitch Nikolai	Damian
Dietrich Nikolai	Bennis
Angela Tony	Steven Nikolai Jr.
Sarah Holm	Katelyn Agostini
Stephanie Petruska	ROBERT
Jad Ross Kopent	TZHN CU
Andrew Runkle	KEISTIA-
Brandon Paul Esai	Beth Petruska
Robert Alexie	Bella Gregory
Prayer John	
Cardace Waruck	
Debbie John Holm	
Dylan	
Jeremiah	

Top of the Kuskokwim School, IASD  
P.O. Box 9190  
Nikolai, AK 99691

March 25, 1998

Dear Irene Nicholia,

We are writing in regards to Senate Bill 36. We are the students & staff of a K-8 school within the Iditarod Area School District. We currently have 21 students in grades Kindergarten - eighth grade, in addition to five Preschool students. Our school employs six classified part-time employees and two certified full-time employees. We are concerned about many comments & "threats" made by Alaska's politicians over this last month in regards to our education and jobs.

It's obvious to us that both rural and urban school districts have many needs, much of which are at a "crisis" status. We are concerned because it appears that a political game is being played. This educational crisis is being turned into a rural vs. urban issue, when the real issue is that all of Alaska's schools are in crisis, and all need help! We are concerned because it appears that politicians are more interested in making noise than working together to come up with the best possible solution to our education problem.

In the Anchorage Daily News' article "School funding scuffle", Gregg Erickson used the North Slope and Anchorage school districts to illustrate the inequity of state funding in rural schools & urban schools. As we're sure you know this is painting an inaccurate picture of rural Alaskan schools. Most rural Alaskan schools are like ours.

We are concerned about the threat of money being taken away from our school budget when we've already cut back and are operating with skeleton budgets;. For example, out of town field-trips, professional development training, and "special" classes (art, music, etc.) have been eliminated; our high school was closed three years ago; certified staff are expected to teach classes with wider grade-spans and often with many special education students without the on-site help from special education teachers; teachers often have extra duties placed on them without monetary compensation, are expected to do the

Nikolai, AK 99691

March 23, 1998

As residents of the interior community of Nikolai, we were disturbed by the Senate passage of Senate Bill 36.

Nikolai has 21 students in grades K to 8, and could be slated to close if this bill passes. The ramifications of this would be great. The closing of the school creates a domino effect. City revenues that provide light & power, sewage, water, and cable TV services could dry up. Families would have to move elsewhere to educate their children. Our language and subsistence life-style would be in jeopardy.

The future of Alaska is our children, yet legislators in Juneau want to reduce or cut off their education opportunities. Does this make sense? We think not.

Signed:

Candace Waruch  
 Jerry Gregory  
 Nick Aldrich SR  
 Nick Alessio  
 Steve D. Nikolai  
 Irene N. Nikolai  
 Abraham N. Petruska  
 Sammy Johnson  
 Beverly Gregory  
 Ann H. Alexia  
 Bobby Essi Jr.  
 Mary Ellen Kimball  
 Wanchell Jackson  
 Gregory L. Okliff

Greg Long - MAYOR  
 Annie M. John  
 Phil P. P. P.  
 Oline Nukalun  
 Junior P. P. P.  
 David P. P. P.  
 Helen A. P. P.  
 W. B. P. P.  
 Joshua P. Nikolai  
 Michael Sabino  
 Roger Jenkins  
 Debbie Gray/John  
 George Gregory Sr.

Nikolai, AK 99691  
March 23, 1998

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The future of Alaska is our children, yet legislators in Juneau want to reduce or cut off their education opportunities. Does this make sense? We think not.

Signed:

Sarah Ostkolchoff  
Martha Nikolai  
Robert Gregory  
John Runkle  
Verdria Bessis  
Agnes Tony  
Clarence Gofenberg  
Anna L. Alexie-John  
Carl Gregory  
anna alexie  
Tobias R. Wills  
Bette Petruska  
Michelle Carpenter  
Miriam Peterson  
Mich Nikolai

Angela Tony  
Sarah Holm  
Stephanie Petruska  
ANDREW RUNKLE  
Joe Ross Coppenher  
Brandon Paul Esai  
Robert Alexie  
Kouze Holm  
Katelyn Carpenter  
Robert  
Tina  
Jeremiah  
Sahm  
Dietrich M. Nikolai

Dylan  
Kristin  
Sharl  
Cannon

To: Senate & House Legislators  
State Capitol  
Juneau, AK 99801

From: Fred Dennis  
P.O. Box 9156  
Nikolai, AK 99691

*Fred Dennis*

RE: Senate Bill 36

I am writing this letter regarding Senate Bill 36. This bill, if passed, would be very devastating to Nikolai. Not only will the school here be forced to close but people here in the community would be forced to move elsewhere so their kids could get the education they needed to succeed in the future. Also, the economy here in Nikolai is next to nothing if people are forced to move. We as a community would stand no chance of keeping the community going. The people living here will have no place to go. The education in rural Alaska is just as important as that of urban communities. I feel that Senate Bill 36 is discriminating to kids in rural Alaska just because some people seem to think that city folks are not getting their education. Back in 1984 when I was still in sixth grade or so I was one of the kids who asked the Governor for money to build this school and it cost just over a half million dollars. So if the funding is cut all that asking and pleading would have been for nothing. So please be fair to the kids here and VOTE NO on SB 36.

THANKS

Top of the Kuskokwim School  
PO Box 9190  
Nikolai, AK 99691  
4/1/98

To Whom It May Concern (RE: Senate Bill 36):

I have taught in rural Alaska since 1977, and am **appalled** by the recent urban support of Senate Bill 36.

Rural students need and deserve a quality education. To change the funding base in favor of larger schools, as proposed by SB 36 would take away the rural students' schools, thus jeopardizing the future of all communities in rural Alaska. This would have a negative impact on the **entire** state of Alaska.

Rural communities need to speak up and unite in giving Juneau a wake-up call to keep our small schools.



Candace Waruch  
Teacher  
907-293-2449

Senate Finance Committee  
 Room 532 Capitol  
 Senate Finance Room, 5th Floor, Capitol

Co-Ch: Senator Drue Pearce  
 Senator Bert Sharp

February 27, 1998

Scheduled hearing Saturday February 28, 1998 at 10:00 AM on CS SB 36 (FIN)

In the beginning God created the heaven and the earth. In the beginning the Legislature created the Foundation Formula to fund Education, and REAA'S were formed. It has been said that there needs to be a more "Fair and Equitable" solution. Taxing REAA'S will not pay for Education in Rural Alaska. A school tax will. A retail tax will. An Educational Endowment will.

Are we inviting violence, crime, addiction, intolerance, and lost potential? Is the Legislature prepared to pay the cost of a 100% increase in supporting delinquent children and Families because of and increase of drug use, tobacco use, violent and anti-social behavior, depression, suicide attempts, teenage sexual activity, all because of REAA School Closures? We spend more to house and rehabilitate criminals than Education for children.

Why did we get a D+ grade on the Quality Counts 98 Report, its not because of students, teachers, superintendents, school board members, or community leaders, the fault lies with the State Legislature. Funding has not been provided by the state to keep up with inflation. It has been pass the \$BUCK\$ for the last 10 years!

With CS SB 36 (FIN), We the REAA'S are being forced into Cultural Genocide. Are you the Elected lawmakers and leaders of this great state prepared to face the consequences of cutting off the hand that FEEDS YOU?

McLaren C. (Mac) Carter  
 Secretary-Treasure  
 Yukon Flats Regional School Board  
 (H)PO BOX 30009  
 Central Alaska, 99730  
 (H) 907-520-5999  
 e-mail mcarter897@aol.com  
 fax 907-520-5151

*McLaren C. Carter*

Senator: Georgeann L. Lincoln  
 Rep: Ernie Nihei

cc: Gov Tony Knowles  
 Comm. Shirley Holloway  
 Lt Gov. Fran Ulmer  
 Honorable: Frank Munkowski  
 Honorable: Ted Stevens  
 Honorable: Don Young  
 Senator: Bert Sharp  
 Senator: Randy Phillips  
 Senator: Jim Duncan  
 Rep: Reggie J. Oule  
 Rep: Gene Kukina

**PSTC**

Pilot Station Traditional Council

P.O.Box 5119 Pilot Station, Alaska 99650 Ph#(907) 549-3373 Fax #(907) 549-3301

**RESOLUTION NO. 98-01**

**A RESOLUTION OPPOSING ALASKA SENATE BILL NO.36 ENTITLED "AN ACT RELATING TO THE PUBLIC SCHOOL FUNDING PROGRAM; RELATING TO THE DEFINITION OF A SCHOOL DISTRICT, TO THE TRANSPORTATION OF STUDENTS, TO SCHOOL DISTRICT LAYOFF PLANS, TO THE SPECIAL EDUCATION SERVICES AGENCY, AND TO THE CHILD CARE GRANT PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE."**

**WHEREAS,** The Pilot Station Traditional Council represents the political interests and promotes the well-being of the Pilot Station Tribal Community of Pilot Station, and

**WHEREAS,** PSTC's role and responsibility includes advocating for the rights and interests of the people of the community in pursuing governmental services to address their basic human needs and improve their living conditions, and

**WHEREAS,** The most important resource of the community is its children and it is of critical importance to provide for the future and well-being of the children through education which is a basic human right available to all children no matter where they live or what their ethnic background is, and

**WHEREAS,** The State of Alaska formed and funded Rural Education Attendance Area School Districts to enable equitable and fair access to education of children living in rural remote villages throughout Alaska, and

**WHEREAS,** Education of the children through the Rural Education Attendance Area School Districts is vital not only to provide for the future of the children, but also to maintain the indigenous native culture, integrity, way of life, general well-being and livelihood of the people throughout Alaska, and

**WHEREAS,** The people of the region need and require the same level of basic education services afforded to all Alaskans, and

**WHEREAS,** The Alaska State Legislature intends to extinguish rural education funding through Senate Bill 36 which seeks to redistribute education funding dollars from rural school districts to urban schools, redefining school district boundaries, proposing employment taxes of 4% for districts without an economic base, and redefining most education processes as we know them, and

**WHEREAS,** The AVCP region and many other rural Alaskan regions lack the economic infrastructure and economic base to bear the burden of an employment tax to finance basic education and other human services, and

**WHEREAS,** Such a measure would cripple regions such as the AVCP region, already experiencing an economic disaster from recent fishery industry failures, and

**WHEREAS,** Passage of this bill will have long and drastic effects on the operations of the rural school districts and the support and assistance in all areas of education provided for the children of the region, and

**WHEREAS,** Passage of this bill will also halt the enormous academic progress of the children living in rural Alaska in areas of mathemtic, reading and writing, and in particular, it will halt the advancement of knowledge, skills and abilities of the children and their future contribution to the general well-being and economy of the region, and

**WHEREAS,** The rural school districts are working diligently and successfully to support and assist in this process.

**NOW THEREFORE BE IT RESOLVED,** That the Pilot Station Traditional Council respectfully implorcs and requests the Alaska State Legislature to reconsider its position and action towards the children of rural Alaska.

**BE IT FURTHER RESOLVED,** That the Pilot Station Traditional Council, hereby opposes passage of Senate Bill No. 36 by the Alaska State Legislature.

**PASSED** March 14, 98 , By the Pilot Station Traditional Council with a duly constituted quorum of members present.

**CERTIFICATION:**

Arthur Heckman Sr  
Arthur Heckman Sr President

Barbara Heckman  
Barbara Heckman Vice President

Julia B. Nick  
Julia Nick Member

Rose Zacharof  
Rose Zacharof Secretary

Albert Beans Jr  
Albert Beans Jr Member

**Sleetmute Traditional Council  
P.O. Box 34  
Sleetmute, Alaska 99668  
Phone No. (907) 449-4205**

**RESOLUTION # 98-02**

**A RESOLUTION OPPOSING ALASKA SENATE BILL NO. 36 ENTITLED "AN ACT RELATING TO THE PUBLIC SCHOOL FUNDING PROGRAM; RELATING TO THE DEFINITION OF A SCHOOL DISTRICT, TO THE TRANSPORTATION OF STUDENTS, TO SCHOOL DISTRICT LAYOFF PLANS, TO THE SPECIAL EDUCATION SERVICES AGENCY, AND TO THE CHILD CARE GRANT PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE."**

**WHEREAS: The Sleetmute Traditional Council is a federally recognized Tribal governing body for the Native Village of Sleetmute, Alaska, and;**

**WHEREAS: The Sleetmute Traditional Council represents the political interests and promotes the well-being of the Native Village of Sleetmute, and;**

**WHEREAS: The Sleetmute Traditional Council's role includes advocating for the rights and interests of the people in our village by pursuing governmental services to address their basic human needs, and;**

**WHEREAS: The most important resource of this region is the children and it is of critical importance to provide for the future and well-being of the children through education which is a basic human right available to all children no matter where they live or what ethnic background is, and;**

**WHEREAS: The State of Alaska formed and funded Rural Education Attendance Area School Districts to enable equitable and fair access to education of children living in rural remote villages throughout Alaska, and;**

**WHEREAS: Education of the children through the Rural Education Attendance Area School Districts is vital not only to provide for the future of the children, but also to maintain the indigenous native culture, integrity, way of life general well-being and livelihood of the people throughout rural Alaska, and;**

**WHEREAS: Graduate students should be confident and capable individuals, who possess academic skills and technology skills that are marketable. The people of this region need and requires the same level of basic education services afforded to all Alaskans. and;**

**WHEREAS: The Alaska State Legislature intends to extinguish rural education funding through Senate Bill No. 36 which seeks to redistribute education funding dollars from rural school districts to urban schools, redefining school district boundaries, proposing employment taxes of 4% for districts without an economic base, and redefining most education processes as we know them, and;**

**WHEREAS:** The Sleetmute Traditional Council and many other rural villages lack the economic infrastructure and economic base to bear the burden of an employment tax to finance basic education and other basic human services, and;

**WHEREAS:** Such a measure would cripple the Middle Kuskokwim Region along with many other regions, already experiencing economic disasters from recent fishing industry failures, etc., and;

**WHEREAS:** Passage of this bill will have long and drastic effects on the operations of the rural school districts and the support and assistance in all education provided for the children of the regions, and;

**WHEREAS:** Passage of this bill will also halt the enormous academic progress of the children living in rural Alaska in areas of mathematics, reading, writing and in particular, it will halt the advancement of knowledge, skills and abilities of the children and their future contribution to the general well-being and economy of the region, and;

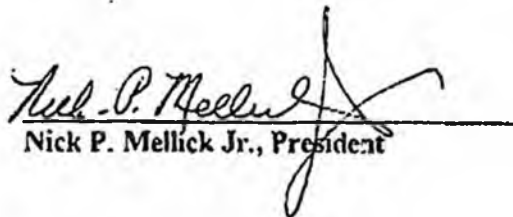
**WHEREAS:** The rural school districts are working diligently and successfully to support and assist in this process.

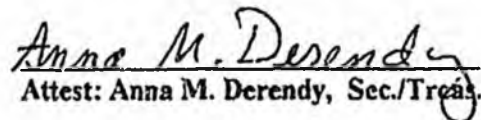
**NOW THEREFORE BE IT RESOLVED:** That the Sleetmute Traditional Council respectfully implores and requests the Alaska State Legislature to reconsider its position and action towards the children of rural Alaska.

**BE IT FURTHER RESOLVED:** That the Sleetmute Traditional Council hereby opposes passage of Senate Bill No. 36 by the Alaska State Legislature.

## CERTIFICATION

This resolution was passed and approved by the Sleetmute Traditional Council at the Special meeting on this 16 day of March 1998. With a quorum of 4 present and 1 absent.

  
Nick P. Mellick Jr., President

  
Attest: Anna M. Derendy, Sec./Treas.

TULUKSAK NATIVE COMMUNITY  
PO BOX 95  
TULUKSAK, ALASKA 99679-0095  
TELEPHONE: (907) 695-6420  
FAX-LINE: (907) 695-6932

RESOLUTION NO. 98-03- 06

A Resolution opposing Alaska Senate Bill No. 35 Entitled "An Act Relating to the Public School Funding Program; Relating to the Definition of a School District, to the transportation of Students, to School Distract Layoff Plans, to the Special Education Services Agency, and to the Child Care Grant Program; and Providing for Effective Date."

WHEREAS; The Native Community of Tuluksak - Tribal Council is the Federally Recognized Governing body for the Tuluksak, Alaska, and;

WHEREAS; Tuluksak's role and responsibility includes advocating for the rights and interests of the people of the region in pursuing governmental services to address their basic human needs and improve their living conditions, and

WHEREAS; The most important resource of the region is its children and it is of critical importance to provide for the future and well - being of the children through education which is a basic human right available to all children no matter where they live or what their ethnic background is, and

WHEREAS; The State of Alaska formed and funded Rural Education Attendance Area School Districts to enable equitable and fair access to education of children living in rural remote villages throughout Alaska, and

WHEREAS; Education of the children through the Rural Education Attendance Area School Districts is vital not only to provide for the future of the children, but also to maintain the indigenous native culture, integrity, way of life, general well - being and livelihood of the people throughout rural Alaska, and

WHEREAS; The people of the region need and require the same level of basic education services afforded to All Alaskans, and

WHEREAS; The Alaska State Legislature intends to extinguish rural education funding through Senate Bill 36 which seeks to redistribute education funding dollars from rural School Distracts to Urban Schools, redefining school distract boundaries, proposing, employment taxes of 4% for distracts without an economic base, and redefining most education processes as we know them, and

WHEREAS; The AVCP Region and many other rural Alaskan regions lack the economic infrastructure and economic base to bear the burden of an employment tax to finance basic education and other basic human services, and

WHEREAS; Such a measure would cripple regions such as AVCP region, already experiencing as economic disaster from recent fishery industry failures, and

WHEREAS; Passage of this bill will have long and drastic effects on the operations of the rural school districts and the support and assistance in all areas of education provided for the children of the region, and

WHEREAS; Passage of this bill will also halt the enormous economic progress of the children living in rural Alaska in areas of math, reading, and writing, and in particular, it will halt the advancement of knowledge, skills of the children and their general well-being and economy of the region, and

WHEREAS; The rural School Districts are working diligently and successfully to support and assist in this process.

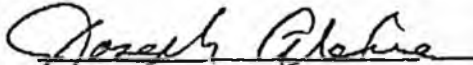
NOW THEREFORE BE IT RESOLVED, That the Tuluksak Native Community Tribal Council support implores and requests the Alaska State Legislature of reconsider its position and action towards the children of rural Alaska.

BE IT FURTHER RESOLVED, That the Tuluksak Native Community Tribal Council hereby opposes passage of Senate Bill No. 36 by the Alaska State Legislature.

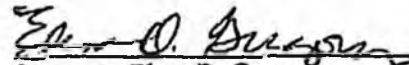
#### CERTIFICATION

It is hereby Certified that on the 23<sup>rd</sup> day of March 1998. With a quorum of the Tuluksak Native Council was formed, did Pass and Adopt the preceding Resolution by 6 Affirmative and 0 Negative Votes. 1 Absent

Signed by;

  
President, Joseph Alexie

Attested by;

  
Secretary, Elcna D. Gregory

**TANANA CHIEFS CONFERENCE, INC.**

TOK SUBREGION  
P.O. BOX 129  
TOK, ALASKA 99780  
Phone: (907) 883-5181  
Fax: (907) 883-1114

Representative Bunde  
State Capitol  
Juneau, Alaska 99801-1182

April 1, 1998

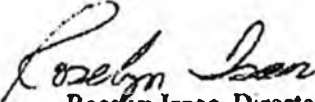
Dear Representative Bunde,

I am opposing Senate Bill 36 because it is extremely unfair to rural children and our rural schools. It will close smaller schools and when this happens, does that mean that our children will be transferred to another school? In isolated places like Eagle, where the only mode of transportation is by air or road depending on the season and Healy Lake, by air and boat or snow machine; to transport school children will not only be costly but unrealistic. Will parents have to put their children on home correspondence?

The amendment that would impose a 3% employment tax in the REAA's is unfair as it imposes an income tax on Alaskans who most of the year are unemployed. There is a high unemployment in Upper Tanana area. Most employment is seasonal through out rural Alaska.

Also, it causes a very unnecessary division between urban and rural as this legislation is not equitable as it will take all the state education funding from one school district in the state, as is being done to the North Slope Borough. Approximately 80% or more of the state revenue comes from oil and gas development in the North Slope Borough. Is this fair? Why not provide Equitable share among all school districts so that every Alaskan child will have the same opportunities to Equitable education? Rural Alaskan children deserve the same Equitable education as Urban Alaskan children per our State and Federal Constitution!

Sincerely;

  
Roselyn Isaac, Director  
Tok Subregion

cc: Gov. Tony Knowles  
Representative Vezey  
Representative Dyson  
Representative Porter  
Representative Brice  
Representative Kemplen  
Representative Green  
Upper Tanana Subregion Village Councils

TANANA CHIEFS CONFERENCE, INC.  
TESTIMONY ON CS SENATE BILL NO. 36 (HOUSE HESS)  
BY  
Reva Shircel ON 4/1/98

Mr. Chairperson, Members

My name is Reva Shircel and for the past 15 years, I have been the director of Education for the Tanana Chiefs Conference.

I appreciate this opportunity to speak today.

I have listened very closely to the people who have spoken before me.

In the Indian way, it is a moral obligation to provide adequate education for our children. In the state of Alaska, every child has that right-~~the~~ right to an adequate education is guaranteed to all its citizens under the state's constitution.

The 37 federally recognized tribes of the Tanana Chiefs Conference wish to make their position known on Senate Bill 36- the proposed bill changing the public school funding formula. As you are aware, this bill would move millions of dollars in state aid from rural to urban school districts with the expectation that rural communities would somehow be able to finance the loss of funds through the establishment of organized boroughs. We respectfully request that committee members of House HESS consider carefully the ramifications of taking away the educational resources of **any** of Alaska's children.

This state has **never-never in its history**-taken away from one child so it can give to another. They have always made sure that all of Alaska's children's needs and rights were met.

Until plans are implemented for long-term and sustainable economic development within rural Alaska, the legislature must be realistic in their expectations that an adequate tax base could be generated from newly-created organized boroughs to support the educational needs of rural Alaskan children.

All of us as parents, and the Alaska legislature which serves us-must always be committed to providing quality educational opportunities to all of Alaska's citizens no matter where they live in this state.

I've heard the numbers bandied around that Anchorage has 40% of the state's students and receives 30% of the state's education funds. That may be true but we also need to remember that the overwhelming majority of this state's schools are located not in Anchorage or Juneau or Fairbanks or on the Kenai Peninsula, but in rural Alaska's communities. The needs of this great state are many when it comes to preparing our next generations to live together as Alaskan citizens. The spirit of this bill and its obvious

impact on the future generations of rural Alaska's children neither addresses those needs nor prepares Alaska's children to enter the 21st Century together with equal chance and opportunity and on equal terms as Alaskan citizens.

SB36 fails to take into account the realities of the higher cost for services in the majority of Alaska's smaller communities.

Sb36 would make our children in rural Alaska bear an unconscionable future cost, - the quality of their education. That is ethically and morally wrong!!

In the Indian way, it is a moral obligation to provide adequate education to our children, and that has always been the Alaskan way, too. As Alaskan citizens, let's all keep it that way.

Thank you.

*Closing of  
schools  
that will  
affect  
quality  
of Educ*

*There is  
no equity  
in closing  
schools*

**TANANA CHIEFS CONFERENCE  
BOARD OF DIRECTORS  
Proposed Resolution No. 98-03**

**SENATE BILL 36 UNFAIR TO RURAL SCHOOL DISTRICTS**

**WHEREAS,** Senate Bill 36 would move millions of dollars in state aid from rural to urban school districts; and

**WHEREAS,** Senate Bill 36 was written as a result of a study by the McDowell Group, where each school in both rural and urban areas was treated as a Single-Site school, with little attention paid to the extreme differences in the cost of living in rural areas vs urban areas; and

**WHEREAS,** Senate Bill 36 does not increase funds for rural school districts even though the current funding formula foundation has not kept up with the inflation rate since 1987, and even though rural school districts are already operating on a "bare-bones" existence; and

**WHEREAS,** the McDowell Group Study does not take into consideration the different costs of educating students in different areas as evidenced by SB36 placing a cap on categorical funding at 20% for every school, regardless of whether they have higher percentages of students than 20% who are in Special Education, Gifted and Talented, Bilingual, or in Vocational Education programs; and

**WHEREAS,** because of the devastating educational cuts affecting of instruction being imposed by Senate Bill 36, one school district in the TCC Region will be forced to cut its certified staff by over 20%, or 10 teachers, and within that school district, one site consisting of 19 students would be reduced to one principal/teacher who would be responsible for the entire K-12 curriculum; and

**WHEREAS,** under this bill, there are plans being suggested by legislators to consolidate school districts, i.e. Yukon Koyukuk and Yukon Flats, which will result in one school district of 139,000 square miles with one school board, and one Chief Administrative Officer; and

**WHEREAS,** due to a new requirement in Senate Bill 36 that states that a school must have 20 students in order to receive funding, seven school sites within the two above-mentioned school districts will be closed, and children in a school with smaller than ten students within the TCC Region will be forced to be included in the largest school in the district existing as of July 1, 1998, or may be sent by their parents to regional boarding schools across the state, disconnected from their families; and

**WHEREAS,** legislators from the majority party are requiring unorganized areas to become municipalities or boroughs in order for them to financially support the operations of their school through taxation or other local contributions even though there is no tax base; and

**WHEREAS,** monies will be taken away from fiscally under-funded school districts with a large Native population who live in areas of high poverty, low income, high unemployment, and low test scores.

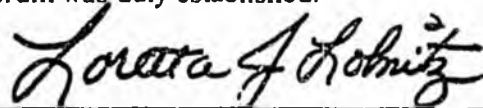
**WHEREAS,**

Senate Bill 36's proposed state aid, less existing foundation aid, would affect the following school districts and numbers of students in our region as follows: Alaska Gateway, minus \$654,086 in funding for 494 students; Galena City, minus \$1,671,683 in funding for 222 students; Iditarod, minus \$590,819 in funding for 436 students; Nenana City, minus \$481,537 in funding for 111 students; Tanana City, minus \$188,863 in funding for 102 students; Yukon Flats, minus \$881,511 in funding for 409 students; and Yukon Koyukuk, minus \$922,820 in funding for 554 students.

**NOW THEREFORE BE IT RESOLVED** that the Tanana Chiefs Board of Directors strongly oppose the passage of Senate Bill 36 because of its inequity towards all students in rural Alaskan school districts.

**C E R T I F I C A T I O N**

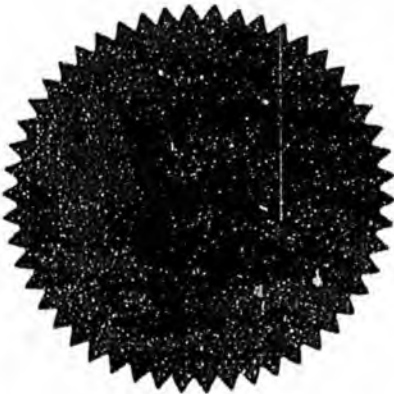
I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 19, 1998 at Fairbanks, Alaska and a quorum was duly established.



Loretta Lolnitz  
Secretary/Treasurer

**Submitted by:**

Holy Cross Village Council



**TANANA CHIEFS CONFERENCE  
BOARD OF DIRECTORS  
Proposed Resolution No. 98-19**

**STATE INITIATIVES**

**WHEREAS,** in the Alaska State Legislature, the urban legislative majority has passed or proposed laws to:

1. take school funding from rural/bush districts with higher costs to increase urban school funding;
2. force boroughs in rural/bush areas with no or little tax base;
3. force boroughs in rural/bush areas without the consent of those affected;
4. impose an income tax only on rural/bush Alaskans, those with the least economic opportunity and income;
5. oppose the rural subsistence priority which is the cornerstone of rural/bush spiritual, economical, and cultural life;
6. recognize "English only" but not Native languages;
7. eliminate the Department of Community and Regional Affairs; and

**WHEREAS,** the legislative majority has authorized and used hundreds of thousands of dollars to initiate action to destroy tribal powers within Alaska; and

**WHEREAS,** the school districts, tribal governments, non-profit and for-profit corporations and individuals of rural/bush Alaska do multi-millions of dollars for business with retail, wholesale, banking, transportation, professional and other services in urban Alaska; and

**WHEREAS,** all rural bush Alaskans must fight and take action in self-defense against the spiritual, economic and political tyranny of the urban legislative majority.

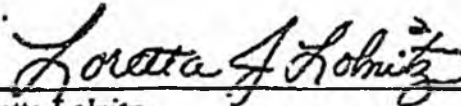
**NOW THEREFORE BE IT RESOLVED** that the Tanana Chiefs Board of Directors directs TCC staff to:

1. Contact all urban firms with which it does business and inform them of the harm being done to rural/bush Alaskans by the urban legislative majority, and inform them of the harm that a boycott by our people would do to their businesses;

- 2. Except for services that are life or property threatening, limit doing business with urban firms that support and contribute funding to legislators who oppose the interests of rural Alaska;
- 3. Limit holding meetings, conferences, workshops and training programs in urban areas;
- 4. Urge all school districts, tribes, governments, corporations and individuals of rural/bush Alaska to take similar action to defend the education, economy and spiritual and cultural culture of rural/bush Alaska.

CERTIFICATION

I hereby certify that this resolution was duly passed by the Tanana Chiefs Conference, Inc. Board of Directors on March 19, 1998 at Fairbanks, Alaska and a quorum was duly established.

  
 \_\_\_\_\_  
 Loretta Lohritz  
 Secretary/Treasurer

Submitted by: Fort Yukon  
 Lower Yukon



**Alaska Inter-Tribal Council  
Resolution 98-01**

**A RESOLUTION OPPOSING THE PASSAGE OF SENATE BILL 36**

**WHEREAS**, the Alaska Inter-Tribal Council (AI-TC is a statewide consortium of 176 tribes in Alaska dedicated to protect, advocate, and preserve the sovereign culture and traditional lifestyles of the indigenous tribal peoples of Alaska, and; .

**WHEREAS**, the quality of education for our children in the villages is the poorest received throughout the State of Alaska, and ;

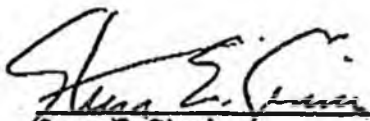
**WHEREAS**, rural school districts rely on State funding to provide the basic fundamentals in reading, writing, and mathematics, and;


**WHEREAS**, Senate Bill 36 (Funding Cuts to Rural School Districts) would reallocate millions of dollars of State Education Funding from rural schools to urban districts.

**NOW THEREFORE BE IT RESOLVED** that the Alaska Inter-Tribal Council oppose the passage of Senate Bill 36, and;

**BE IT FURTHER RESOLVED** that the Alaska Inter-Tribal Council ask the Governor of Alaska to veto this bill.

**PASSED BY A DULY CONSTITUTED QUORUM OF THE ALASKA INTER-TRIBAL COUNCIL THIS 12<sup>th</sup> DAY OF MARCH 1998 BY A VOTE OF 12 YES, 0 NO, AND 0 ABSTAINING.**

  
\_\_\_\_\_  
Steve E. Ginnis  
Chairman

  
\_\_\_\_\_  
Deborah Vo  
Executive Director

**RESOLUTION 98-05  
YUPIIT OF ANDREAFSKI**

**A RESOLUTION OPPOSING ALASKA SENATE BILL NO. 36 RELATING TO THE PUBLIC SCHOOL FUNDING PROGRAM, THE DEFINITION OF A SCHOOL DISTRICT, THE TRANSPORTATION OF STUDENTS, THE SCHOOL DISTRICT LAYOFF PLANS, THE SPECIAL EDUCATION SERVICES AGENCY AND THE CHILD CARE GRANT PROGRAM.**

**WHEREAS, The Yupiit of Andreafski is a Federally recognized governing body representing the Native Village of Andreafski, and**

**WHEREAS, The Yupiit of Andreafski's role and responsibility includes advocating for the rights and interests of its Tribal members in pursuing governmental services to address their basic needs and improve their living conditions, and**

**WHEREAS, The most important resource is its children and it is of critical importance to provide for the future and well-being of the children through education which is a basic human right available to all children regardless of where they live or what their ethnic background is, and**

**WHEREAS, The State of Alaska formed and funded Rural Education Attendance Area School Districts to enable equitable and fair access to education of children living in rural remote villages throughout Alaska, and**

**WHEREAS, Education is vital not only to provide for the future of our children, but also to maintain the indigenous native culture, integrity, way of life, general well-being and livelihood of the people throughout rural Alaska, and**

**WHEREAS, The children of the Yupiit of Andreafski and this region need and require the same level of basic education services afforded to all Alaskans, and**

**WHEREAS, The Alaska State Legislature intends to extinguish rural education funding through Senate Bill 36 which seeks to redistribute education funding dollars from rural school districts to urban schools, redefining school district boundaries, proposing employment taxes of 4% for districts without an economic base, and redefining most education processes as we know them, and**

**WHEREAS, Many rural Alaskan regions lack the economic infrastructure and economic base to bear the burden of an employment tax to finance basic education and other basic human services, and**

**WHEREAS, Passage of Senate Bill 36 will have long and drastic effects on the operations of the rural school districts and the support and assistance in all areas of education provided for the children of the Yupiit of Andreafski and this region, and**

**WHEREAS, Passage of Senate Bill 36 will halt the academic progress of the children living in rural Alaska in areas of mathematics, reading and writing and it will also halt the advancement of knowledge, skills and abilities of the children and their future contribution to the general well-being and economy this region, and**

WHEREAS, The rural school districts are working diligently and successfully to support and assist this process.

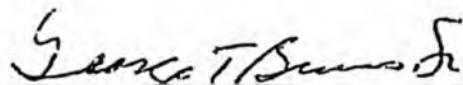
NOW THEREFORE BE IT RESOLVED, The Yupit of Andrafski Tribal Council respectfully implores and requests the Alaska State Legislature to reconsider its position and action towards the children of rural Alaska.

BE IT FURTHER RESOLVED, The Yupit of Andrafski Tribal Council hereby opposes passage of Senate Bill No. 36 by the Alaska State Legislature.

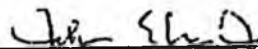
PASSED BY A DULY CONSTITUTED QUORUM OF THE YUPIIT OF ANDRAFSKI  
THIS 19<sup>th</sup> DAY OF MARCH, 1998 IN ANDRAFSKI, ALASKA BY A VOTE OF 5 IN  
FAVOR, 0 OPPOSED, AND 0 ABSTAINING.

BY:

ATTEST:



George T. Beas, Sr.  
President



John Elia, Jr.  
Vice-President

**AKIUK MEMORIAL SCHOOL ADVISORY BOARD**  
**Resolution # 98-03-15**

**RESOLUTION IN OPPOSITION TO SB-36 AN ACT RELATING TO THE SCHOOL FOUNDATION PROGRAM**

**WHEREAS** The AKIUK Memorial School Advisory Board have become aware of SB-36 via Legislative Bulletin, week 1, dated January 16, 1998 and radio reports; and

**WHEREAS** The AKIUK Memorial School Advisory Board realizes that we are approaching a new century beginning with the year 2000; and,

**WHEREAS** The new century, and advanced computer age, will require more advanced education for our Alaskan Native people; and,

**WHEREAS** SB-36 intends reduction of funding for Rural School Districts such as the Lower Kuskokwim School District where the reduction amount will be Ten Million Dollars (\$10,000,000.00); and,

**WHEREAS** the reduction will be detrimental to the education of our students in the Rural School Districts; and,

**WHEREAS** The AKIUK Memorial School Advisory Board being in charge and having a duty that our Alaskan Native youth receive quality education are in complete agreement with Governor Knowles objective that the Alaskan children come first and that all the children/students receive quality education; and,

**NOW, THEREFORE BE IT RESOLVED:** That AKIUK Memorial School Advisory Board opposes SB-36 for the stated reasons and request that the bill is not passed, and that if the bill passes the Alaska State Legislature, the Governor vetoes it; and,

**BE IT FURTHER RESOLVED;** that the copies of this resolution is sent to the following:

- Honorable Tony Knowles, Governor of Alaska
- Honorable Randy Phillips, Alaska State Senator
- Honorable Gail Phillips, Speaker of the House of Representatives
- Honorable Mike Miller, President of the Alaska Senate
- Honorable Lyman Hoffman, Alaska Senator
- Honorable Ivan M. Ivan, State Representative
- Myron Naneng, President of Association of Village Council Presidents
- Julie Kitka, President of Alaska Federation of Natives
- Jeanine Kennedy, President of RURAL CAP
- Steve Ginnis, Alaska Inter-Tribal Council
- Dr. Shirley Holloway, Commissioner, State Department of Education

Passed and Adopted this 12 th day of March, 19 98 on a duly called meeting of the Advisory School Board.

  
Sam Twitchell, ASB Chairman

ATTEST:   
Catherine Berlin, Secretary

WE THE UNDERSIGNED OPPOSE SENATE BILL 98

Signature	Print	Signature	Print
	Russ G. Johnson	Nora Brink	Nora Brink
Catherine Berlin	Catherine Berlin	Emma Kalila	Emma Kalila
Paul D. Andrew	Paul D. Andrew	Alexandra Brink	Alexandra Brink
Howard R. Tinker	Howard R. Tinker	Sassa Brink	Sassa Brink
Selma Bair	Selma Bair	Anna Maxie	Anna Maxie
Diane Fournier	Diane Fournier	William C. Maxie	WILLIAM C. MAXIE
Christine Fournier	Christine Fournier	Brita A. Berlin	Brita A. Berlin
Andrew Lesh	Andrew Lesh	Roderick Demientieff	RODERICK DEMIENTIEFF
Palasia Tinker	Palasia Tinker	Martha Demientieff	Martha Demientieff
John Twitchell	John Twitchell	Henry Charles	Henry Charles
Alexandra White	Alexandra White	Maria Charles	Maria Charles
Irene M. Thomas	Irene M. Thomas	Agnes K. Charles	Agnes K. Charles
Fannie Brink	Fannie Brink	Molly C. Oscar	Molly C. Oscar
Lucy Kassel	Lucy Kassel	John A. Andrew	John A. Andrew
DORA WASSILLIE	DORA WASSILLIE	Tuanita Andrew	Tuanita Andrew
Nastasia Fran	Nastasia Fran	Paul C. Tommy	Paul C. Tommy
Mike Martin	Mike Martin	Annie Twitchell	Annie Twitchell
Maureen Nicholas	Maureen Nicholas	Maria Nicholas	Maria Nicholas
Naomi Tinker	Naomi Tinker	Evan J. Nicholas	Evan J. Nicholas
ANNIE K. ANDREW	ANNIE K. ANDREW	Paul Nicholas	Paul Nicholas
John P. Slim	John P. Slim	Sillafie Thomas	Sillafie Thomas
Yeako Slim	Yeako Slim	Martha M. Keene	Martha M. Keene
George H. Keene Jr.	George H. Keene Jr.	George H. Keene Jr.	George H. Keene Jr.
Lucy Brink	Lucy Brink	George I. Keene Sr.	George I. Keene Sr.
Grace Brink	Grace Brink	Victor P. Keene	Victor P. Keene
Nellie Slim	Nellie Slim	Kenneth Berlin	Kenneth Berlin
Kalila Slim	Kalila Slim	Daniel Berlin	Daniel Berlin
Mary Brink	Mary Brink	Agnes Berlin	AGNES BERLIN
Martha Brink	Martha Brink	Teddy Sipary	Teddy Sipary



# Alaska State Legislature

Please enter into the record my testimony to the House HESS  
committee name

committee on SB 316 Public School Funding dated April 1, 1998  
bill # / subject

I would urge you not to allow this bill to become a bone of contention separating urban and rural schools. Our district, the Kenai Peninsula, has more "rural" students than most "rural" districts do. We have students riding buses 45 minutes one way on a two lane highway every day to get to school. We also have students that must leave their homes and live in another community in order to finish high school. Our district has been hurting for a long time. I believe that this bill does address some inequities, however, I would like to see enough money added to education funding that, with the new formula, the rural schools would still end up with the same amount of money that they now have. I do not believe that rural schools are over-funded, however, I know that Kenai schools are under-funded. I would be supportive of setting up an education fund

Signed: Deborah Adams

Testifier

KCHS PTSA

Representing (Optional)

606 Laurel Dr. Kenai, AK

Address

283-4982

Phone number

using part of individual permanent fund dividends. It is ridiculous that, in the richest state in the Country, we have to beg for money for our kid's education.

HHES - SB 36 TESTIMONY FROM DEBORAH ADAMS PG. 2 OF 2  
606 LAUREL DR  
KENAI, AK 99611  
283-4982

These names shown here will be affected by CSSB 36 if it passes into law. Ekula Eitnaurvik is a rural school located 25 miles west of Bethel.

Serena R. Demientieff

Katherine M. Sergi

Michael Mikulak

Jayson Hoover

Pat Nicholas

Satiana Nicholas

Cherie Isaac

Meraldine Tinker

Paula Brink

Marie K. Nicholas

Charlotte Charles

Hoss Charles Nicholas

Nathaniel Beaver

Curtis Kassel

Julianne Tinker

Kristine Tinker

Thomas Nicholas

Olga Christie

Norman Neer

Yeako Wassie

Annita Hoover

Charity Jackson

Gelga Brink

Habe Brink

Michael Demientieff P.

Michael T. J. Tinker III

Nicholas Nicholas

Michael Y Demientieff

Patrick Sergi

Gabriel Nicholas

Yvonne Jackson

Cynthia Anvil

Thomas Brink

Robert Tinker

Moses Brink

Harry Tinker

Karlene Peter.

Timothy Beaver

Timothy Nick

Yvonne Tinker

Leroy Brink

Kimberly Hoover

Elizabeth Beaver	Leri Nicholas
Grand Beal	Joe
Nastasia Nicholas	Joseph Jr.
Gabby Sergie	Nicole Peter
Waniel Andrew III	Anna Nicholas
Jamie Nicholas	Robert Brink
NICHOLSON TINKER	Julia Sergie
Jermilyn Andrew	Marie Martin
CHASTITY KELLY	Cherilyn Demientiff
Tackletha <del>PK</del>	Deric Tinker
Caroline Hoover	Annmarie Beaver
Alexis Nicholas	Jaclyn Hoover
Jonathan Twitchell	EMMANUEL Nicholas
Ezekiel Thomas	Jamie Brink
Natalia Martin	Marlene Kinegart
Michelle Tinker	Thomas Active
Jackie Brink	
SAM Brink	
LeeAnn Berlin	
Kimberly twitchell	
Tia Tinker	
Misha Charles	
Timantlia Brink	
Joshua Peter	
Jackie Nicholas	
Derek Active	

Dear Legislators,

April 78

We are the juniors and seniors of Akwa Elitnaukvik in Kasigluk Alaska. We are one of many schools that will be affected by CSSB 36. Some of the rural schools in our district will close and other schools that are still open will become overcrowded and be filled with a lot of discomfort. Some parents worry about their children's education because some will attempt to drop out and never go back to school. Some parents wonder how their six year old students will be able to go to school at another place where their parents won't be there due to the jobs that they might have in their home where they were staying for a long period of time.

We think that Urban and Rural schools should be treated equally. Urban schools have huge gyms with bleachers that are almost as high as the ceiling while Rural schools have small gyms that don't even as high as the rims. Urban schools also have football fields and swimming pools for students while rural schools ~~don't~~ have only a gym to practice all sports in. Why take what rural schools have and give it to urban schools, they have so many things that we don't have.

There is also one important thing that we have a chance of losing if the bill is passed, something that helps keep our pride of who we are. - our culture, our native language. We won't be able to study what our ancestors did in the early days. We will lose our native tongue and only be adjusted to the western way of life. Please don't take this away from us. What would you legislators do if you lost your pride in what

you know about your way of life or where you came from  
or the language that your ancestors spoke?

Sincerely  
Akula Juniors + Seniors

Serena V. Demientieff

Dawson Hoover

Peter Nicholas

Mike Nicholas  
Patrick Sergie

Serena Demientieff

Dawson Hoover

Peter Nicholas

Mike Nicholas

Patrick Sergie

Katherine Sergie

Olga Martin

Box 57

Kasigluk, AK 99609

To whom it may concern.

Well I am here to complain about the Senate Bill 36 thingy. Students from here don't want to move away from here which is Akula Eitnaurvik. They're saying that they don't want to move because it is a very good school. They have learned a lot of new and different things. They also want to graduate where they started school.

So please, do not take away our important thing away from us. It will ruin ~~our~~ the students. Most students are saying that they will not move away from this Akula Eitnaurvik school.

Olga Martin

YeaKo Wassilie

P.O. Box 11

Kasigluk AK 99609

Dear Legislators

We dont like what your doing taking eleven million  
dollars from the schools. if you take that much of money  
we'll have to let two teachers quit and we have good teachers  
And we might have no more basket ball.

YeaKo

3-27-98

Kristine Tinker

PO Box 31

Trinidad, CA 97609

Dear Legislators,

Please don't give money to the big cities from the LKSD. We need the money as much as you do. I had a good education at this school and I don't want to leave or drop out.

Kristine  
Tinker

P/O Baw 66  
Kensiglik AK  
99609

Dear Legislators.

Please don't take our money okay? We want to travel anywhere to other villages and we want to see our friends. Last week Michael P Demientiff and I went to Canada at Yellowknife for N.Y.O. I learned about other countries and I had lots of friends from other countries. I learned Triple Jump and Sled Jump and it was pretty hard to me but it was very fun having N.Y.O. I don't want to leave this school to go to another school. We want to travel for sports and have fun with my friends. If you take it, I will be very sad.

Your friend  
Nicholai  
Nicholas

P.O. BOX 123  
Kasiluk, AK  
3/26/1998

Dear Legislators,

Please don't take away the money. We need it as much as you do. We like all of our yupik teachers. I don't want to move to an other school if ours close down. Well please don't take 1 million dollars away from the LKSD schools.

Gabe Brink

P.O. Box 178

Kasiglut Nk

99009

Dear Legislators,

I would like to know why you people are taking our money away? How would you people feel if we took your money away and you had no schools? To us it is really terrible and we wouldn't like it to happen.

Sincerely,

Michael

P.O. Box 117  
Kasiglan A.K. 99607

Dear Legislator,

3-26-98

Why are you gonna take 11 million dollars  
from our school? What I'm saying is I love  
school, I love to travel, I love to play basketball,  
Eskimo dance, NY, and other sports + stuff  
and I wish to graduate Highschool right now  
I'm in 7<sup>th</sup> grade.

SincerelyNorman  
Neek

Dear Legislators,

I'm a student from Kiangluk school.  
and I don't want to go to school in another  
place. We need the money just like you guys  
do.

Christy Jackson

9074653871;#13  
DANIEL KASSEL  
P.O. Box 37  
Kasiglak, AK  
99609

Dear Legislators,

Please don't take away \$11,000,000 from the LKSD. We need to have school in our village. We want the money as much as you do. We learn different things we never knew before in school. We want to have school in our village so we don't have to go to another school and leave our family, so please don't take away the money from the LKSD.

Sincerely,  
Daniel Kassel

## Why Is Senate Bill 36 Bad?

Education is important to us in our village. It is important because our language and culture are important to us. If Senate Bill 36 passed it would change our education and it wouldn't be the same anymore. Senate Bill 36 shouldn't pass because education will suffer, dropout rate will rise, and bilingual arts will be cut down.

Senate Bill 36 shouldn't pass because education will suffer. We students like to go to school and learn. We have favorite subjects in school, like to participate in them, and we like to show people what we can do. School is the fun place to be; it is better than staying home and doing nothing. SB 36 would mean that some students in LKSD could no longer learn in their school anymore, and wouldn't get to go to college. I even planned to go to college after I graduated from high school, but SB 36 might change that.

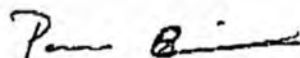
The next reason Senate Bill 36 shouldn't pass is because the dropout rate will rise. We students don't want to go to school anywhere else. Plus, we would even have a harder life.

The last reason Senate Bill 36 shouldn't pass is because bilingual arts will be cut down. We don't want that to happen because we ought to learn more about our culture and language, too. At school, bilingual arts means something to us and that's where we get our money to travel for sports and activities. The reason why sports and travelling is important is because we would want to show people what we can do and meet people from other villages. If Senate Bill 36 passes we wouldn't learn more about

our culture and languages and what they mean.

Education in our village is important to us, and it will always be important to us. We don't want our lives to be harder than they are. We hope Senate Bill 36 will not be passed because we don't want our language and culture to change, or dropout from school, or have a poor education. We want things right now to be the way they are now.

Sincerely,



Paula Brink

To Whom It May Concern;

My name is Cherie Isaac and I am a sophomore at Akula Elitnaurvik. In my village, education is very important to us. Senate Bill 36 is bad because the bilingual will be cut, the drop out rate will rise, and the sports will be closed down.

Senate Bill 36 is bad because the bilingual will be cut. It is our culture and we don't want to lose it. If the bill passes there will be no kindergarten. The Bilingual Program pays for kindergarten children to go to school. Kindergartens are important because they learn different things about being a student before becoming first graders. The Bilingual Program also pays for our traveling money without it students will not be traveling anywhere. The importance of this will be discussed later. As you can see from the above argument, Senate Bill 36 is a bad idea because the bilingual will be cut, there will be no kindergartens, and no traveling money.

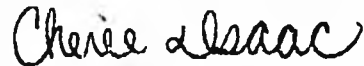
Another reason SB 36 is bad is because the drop out rate will rise. Students come to school to learn and to play in sport activities. Students will not be going to school because there will be no sports to join in. Students will be totally bored in school without sports and will want to quit or drop out of school. Senate Bill 36 is bad because the drop out rate will rise. There will be students quitting school because there will be no sports and no traveling.

The third reason about this bill is that education here in our village will suffer if this bill passes. The students will not be educated as much as before. Students will not learn a lot because there will be too many students in one room. Education will also suffer without teachers. If the bill passes we will lose teachers. Teachers are very important to us; They

teach us to learn things we haven't learned before. This bill is bad, because education will suffer.

If they care about our education they shouldn't let this bill pass. If it passes the bilingual program will be cut, drop out rate will rise and education will suffer.

Sincerely,



Cherie Isaac

P.O. Box 135

Kasigluk, Alaska

99609

To Whom it May Concern,

3-25-98

Waq hello! I'm Charlotte Charles from Kasigiuk. This is a good place for natives to be living. All of my siblings had got their education from this village and so will my younger brother and I. This is our home and we don't want anything to change that. Senate Bill 36 will affect the way we are living; Sports will be closed down, it will trouble our community, and our bilingual education will be cut down.

Many of our athletes are worried about the sports being closed when SB 36 is passed. Basketball is the most popular sport in the LKSD, and if SB 36 is passed it will have to be closed down due to the loss of money. Basketball keeps the students in school! There are other sports, too, that make them stay in school. They know if they don't come to school-they won't be eligible to play and to travel. This is one reason why we don't want SB 36 to be passed.

When we heard about the SB 36, many of the natives (including others) were hurt and had affected the community. Why do we need to move to a bigger school? And here we hear some people complaining about having a lot of children in big cities that go to school. This will break many hearts forever!

If SB 36 passes, our bilingual education would have to be cut down. The little kids that are just beginning to have school would probably lose their culture and their language. We, all of us, don't want to see that happen. Many natives disagree with SB 36 because we are afraid we'll lose our Yupik culture and language. Wouldn't you be hurt too if this happened to you? Just think about it and how it would affect you if this had to do with you.

We hope that SB 36 will not be passed because everything would be

messed up and we don't want to let that happen. Why take the money away from the LKSD? Why don't they find it somewhere else? Less students would come to school because sports were closed down, it would affect the community, and the younger students wouldn't get to have bilingual education which will hurt many of the elders in our community. I hope this has helped you to choose not to let SB 36 be passed.

Sincerely,

*Charlotte Charles*

Charlotte Charles  
P.O. Box 18  
Kasigluk, Ak 99609  
(907) 477-6075

To Whom it May Concern,

3-26-98

Hi. My name is Tatiana Nicholas from Kasigluk. I am in 9'th grade. I was born here, have lived here sixteen years and I am having school here. Kasigluk is a nice place to live and people love it here. SB 36 is bad because it will affect the community, some students will drop out, and our culture would be in trouble.

SB 36 is bad because so much money will be lost that sports will be cut and we students will not be able to travel. Some students, including me, would drop out if that happened. If we students move to another village our grades will become bad. That's why we don't want to move to another village. Dropping out would be more likely.

SB 36 is bad because it will affect the community. The education of people will be gone and that will hurt the community. People will not be able to get jobs without education.

SB 36 is bad because some of the students will not have bilingual education, they will not learn how to write or speak in Yup'ik and will not learn our Yup'ik history. If Eskimo Dancing is cut we will have loss of culture and we don't want that to happen. We will have low self-esteem we will feel bad, and we will be dumb.

Being a student is better than dropping out and to learning nothing. You don't want us to drop out don't you?

Sincerely

*Tatiana Nicholas*

Tatiana Nicholas

Box 66 Kasigluk AK, 99609


April 1, 1998  
page 1 of 1

Dear Hess Committee,

I am a mother of 11 yrs old  
6<sup>th</sup> grader who attends a rural  
school in Naukato AK. Also, have  
two 4yr olds who plan to attend  
Kindergarten when 6yr to 12<sup>th</sup> grade.

NO on Senate Bill 36.

Our rural school has already  
been cut: No music, P.E. now  
looking at no Kindergarten next year.

 Please as preschool teacher  
of 9 preschoolers who need there  
school and depend on all the  
programs for growth and education!

Say No to Senate Bill 36

Sincerely,

Carin Tapia  
P.O. Box 17  
Naukati, AK 99950  
(907) 629-4260

April 1, 98

Dear Hess Committee,

I live in a rural area in Southeast Alaska. I was brought up believing all children have a right to a good education. I moved to a rural area so my children wouldn't have to deal with gangs and drugs. Now, if this bill passes my child's education will suffer. I work at our school as an aide and because of cuts the aides have been being cut in hours. That hurts the kids. We don't have money for books, programs, gas for travel or any supplies. How are my children supposed to get a good education if they don't have new books or materials? We're already suffering from cuts. If this passes we won't have enough money to run our school. My children are just as important as city kids. They should have the same chance at a good education. VOTE NO ON SB 36, for our kids.

Sincerely

Tamara L. Richter  
(907) 629-4283

Members of the Hess Committee: Rep. Bunde, Rep. Dyson, Rep. Brice, Rep. Joe Green, Rep. Porter, Rep. Vezey, Rep. Kemplem:

We are writing to present our comments on the SB36. We are asking you not to support this bill because it creates winners and losers in our state and does not address the real issue of funding for our schools. The bill would devastate Southeast Island School District and the many families that are struggling to survive in Southeast Alaska. The portion of the bill that does not allow for a transition period during the October count would devastate our district financially as well as other districts. If we staff a school and commit District money in April and have fewer students at the October count that school might have to be shut down. Teachers would have to be placed elsewhere and students would all of a sudden have NO SCHOOL TO ATTEND. It is only fair to allow parents, communities and the district some time for closing schools and opening up new opportunities for those students. Please give us all the help you can in keeping our schools open and vital and vote against SB 36.

Howard Valentine School ASC  
Coffman Cove, AK

Dee Dee Jeffreys, ASC Member  
Judith Jones, Principal/Teacher  
Jim Baker, Teacher  
Alyson Baker, Teacher



Andy Durny  
 Box 90  
 Nulato AK 99765

Representative Con Bunde  
 House Education and Social Services Committee  
 State Capitol  
 Juneau AK 99801

April 1, 1998

RE: Senate Bill 36

Dear Representative Bunde,

I am writing to express my views on Senate Bill 36 regarding the redistribution of funds for education. I would like my letter to be included in the record of public testimony.

I have lived in Nulato since 1971. I have 3 daughters in the local school here. I was on the local Community School Committee from the mid 1970's to early 90's and am currently on the CSC again.

I am opposed to Senate Bill 36. I believe this bill tries to reduce the problem of education funding to a very simplistic and unfair formula. Furthermore, I believe that Senate Bill 36 is a very divisive piece of proposed legislation which intentionally pits urban and rural residents against one another.

I have listened to public testimony in a previous teleconference on Senate Bill 36. I have discussed this bill with urban and rural residents, and I have read numerous articles and letters regarding this proposed legislation. I do not believe that the people of Alaska support this bill. Over and over, people are telling the legislators that the solution to our education funding problem is to provide more money for education. For more than 10 years, there has been no increase in education funding, despite increases in enrollment and costs.

I believe that one of the functions of government is to provide adequate public education. Alaska has a diverse population, living in very diverse locations and conditions, and with very diverse needs. It does an injustice to all the hard-working people of Alaska to base education funding on an overly-simplified formula and on misconceptions, especially misconceptions which state or imply that rural schools are not contributing to education and are taking money unfairly from urban schools. Even worse, the proposed Senate Bill 36 does an injustice to the students of Alaska, the young people who are supposed to be our future leaders.

Post-It<sup>®</sup> brand fax transmittal memo 7671 # of pages **2**

To	Rep. Con Bunde	From	Andy Durny
Co	H E SS	Co.	
Dept		Phone #	907-898-2237/
Fax #	907-465-3871	Fax #	907-898-2207

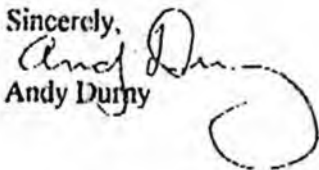
Educators in urban and rural schools alike say that more funding is needed for our schools. Yet, the legislature is unwilling to provide such funding, instead criticizing our schools, and blaming one section of the population for taking more than it's share. How can we deny funding for education when we can pay over \$1,000.00 to every man, woman and child who has been a resident for 9 months? Why can't we put a cap on the permanent fund and place the balance into an education endowment? Or why can't we have a statewide school tax, or sales tax, or state income tax?

Rural residents are "accused" of not contributing their "fair share"; what about the thousands of dollars our community contributes to school and student activities each year through local fund-raisers? We may not have a property tax, but it doesn't mean we are parasites either. And what about all the out-of-state seasonal workers who come to Alaska every year and take money out of the state without putting anything back in? What about all the urban engineers, contractors, equipment operators, plumbers, electricians, and laborers who come out to rural Alaska each summer to to work on rural projects - generally at much higher rates of pay than the local workers and generally with all living expenses paid - and then leave at the end of the project without "paying their fair share" to the local economy?

The schools, the economy, the population, the politics and the needs of Alaskans differ greatly from one part of the state to another. It's wrong to think that our schools and our students can be reduced to single common denominator that fits the notions of people who have never even lived in the remote and rural areas. Certainly, there is a vast difference between the school facilities provided to most rural students and those provided to most urban students. It is unfair and wrong for the majority to ignore or overlook the needs of the minority, no matter what the motivation.

I realize that we need to reduce state spending, and that we need to improve our schools; on the other hand, I believe that the proposals set forth in Senate Bill 36 are the wrong way to reduce spending or to make improvements. SB36 is based on incomplete information, on preconceived notions, and on a biased report (the McDowell study): it is a bad bill and should not be passed. The State of Alaska has the resources to provide adequate and quality education to all students: we can come up with a better solution than SB36.

Thank you for your consideration.

Sincerely,  
  
Andy Durny

cc. Rep. Irene Nicholia

April 1, 1998

To: House HESS Representatives:

Green  
Bunde  
Vevey  
Dyson  
Porter  
Brice  
Kemplen

Fax 465-3871

Dear Representatives:

Regarding the Senate Bill 36. I may not have children of my own but I do have nieces and nephews. The point is I care about their education but I am not about to pay a 3% tax supporting the school system in rural areas while this bill reallocates \$32m of the rural funds to the urban school system. (There's a red flag in the air)

During my school years in a rural village, we had no access to music, shop or home economic classes. I am seeing the same dilemma today. You might be thinking "well why didn't he go to a boarding school or an urban school". Well I did. Getting into all the trouble a teenager endures during his enthusiastic years; you can't blame him. Well I thought I might have half the chance of finishing if I went back home. I finished and obtained a diploma and I still feel cheated because I was not prepared for college when I entered; maybe because our school system was not up to the standards of urban areas then and today.

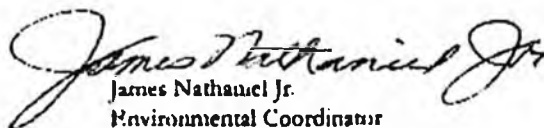
But if I had gone and attended an urban school system. WOW! They've got all the music teachers, shop instructors, home economics, small engines, etc

As a result, the one benefit of learning at home is that I have retained my cultural lifestyle and I am working for the community today.

If you want to re-allocate the funding from rural to urban school districts; don't dig into my pocket doing it. Thank you.

Respectfully submitted.

Sincerely,



James Nathaniel Jr.  
Environmental Coordinator

**TESTIMONY AGAINST CSSB36**

In attempting to delve through the intricacies and complexities of this bill, many questions presented themselves. The first incongruity appeared in the explanation of the purpose of this bill, where it is stated that *it would allow for an equitable level of educational opportunities for those students attending the public schools of the state*. There is nothing more important than the children of Alaska, **ALL** Alaska, **NOT** just the large urban areas which already reap the benefits of city and state programs that enrich, enable and enhance the city residents. **CSSB 36 DOES NOT** represent a responsible approach to educating Alaskan children! A broader and more equitable commitment is called for. The argument is oft given that we of the rural and bush areas of the state have chosen our places of residence, lifestyles and hardships. On one hand that is correct, but financial circumstances have also dictated some of those choices. For those of us who chose to remain in the communities of our heritage, or who sought the quieter, "self-made" existences in rural Alaska as pioneers, we also voluntarily accepted the hardships and reduction of services that throughout this state's history have led the way to eventual urban development, oil, natural gas, mining and the development of other natural resources that have increased the wealth and prosperity of the urban areas and the state as a whole. Isn't it funny that this prosperity failed to enrich many of those who were most responsible. I just happen to have resided in the Delta-Greely REAA since 1977 and mused out to work daily from a home I built on a farm with **NO** road access. You all seem to be assuring us "ruralites" that this bill does not provide for urban on the backs of rural. **CSSB 36** does just that! When was the last time an urban resident **CHOSE** to have **INADEQUATE** or **UNSAFE** housing, sanitation, or schooling, even for a weekend or back-to-nature adventure. Rural Alaskan children, families and educational employees live with those "handicaps" on a daily basis. You and your McDowell Report claim that we ruralites and REAA's have not **PAID** our share, yet you and your report neglect to show the PL374 monies that having a military installation and its inhabitants as a part of our school district have enabled us to return directly to your coffers (90% of the total received), or the revenue (via taxes) that we never took even though the oil pipeline runs directly through the middle of our community!

**Page 15, line 10** - Allows REAA school boards to request that the legislature incorporate their region as a municipality. Year after year I hear you, the legislators espousing from a platform of **less** government and **more** local involvement and control, particularly when it relates to our schools and our communities, so where is that belief supported by **CSSB 36**? This community has revisited the issue of taxes year after year and the residents have **unanimously voted it down!** That should remain our choice, **NOT** a mandate from the state! We have build **our** community to represent **our** social, economic, and religious norms and mores. The imminent realignment of Ft. Greely, our largest local employer, has begun to, and will continue to have devastating effects on our community. We have been struggling to raise ourselves from the mire of economic chaos and personal repercussions to our jobs, families, businesses, and institutions. We have only received a shadow of the promises of state help, yet we struggle on. Our community's second largest employer

has been the local school district and your inability to adequately fund education has diminished those hours, benefits and jobs already. Now through this **BAD BILL**, you intend to eradicate our district, melding it, under the auspices of **CONSOLIDATION** and **EQUITY** with Alaska Gateway. When I attended school, we were taught that the benefits of our fight for democracy ended the dictates and mandates of a totalitarian government!

I have given my best efforts to the children of the Delta-Greely School District in the past 19 years as an educational support employee. You agree that, "it takes a village (community) to raise a child, you emphasize the importance of, "building bridges between communities and schools". We are the bridges! As the educational support staff, we live in our communities for the duration, we are the parents, grandparents, employees, and school board members! We are the backbone of education, communication, and politics in our communities. Even with **3** below cost-of-living increases in the past eight years, my dedication and expertise in my field have rewarded me with a gross annual wage flat decrease of \$3,500.00, (16%)!! My scenario is the same across rural Alaska, yet you tell us, "that we don't pay our share"? If we're talking "**FAIR SHARE**", why not compare the school-to-school, urban-to-rural, curriculum, extra and co-curricular activities, and those benefits we sweated to provide through ingenious, and creative grant writing.

The legislature's inability to fully fund education has diminished our education programs year-after-year. On one hand you inundate us with the need for teacher, school and student standards and accountability, while on the other hand, you diminish our ability to achieve those standards. It seems rather sadistic to me! The instructional program cannot continue to be cut while expecting to accomplish its education mission! One would think that the adoption of student standards would go hand-in-hand with an **INCREASE** in funding for the state's **gifted and talented programs and bilingual education**, silly me. The 4.5% allocated for gifted and talented is based on an outdated "guess", and again does not take into account the increases necessary due to the "improvements" in education derived from your improved student and teacher standards. Once again the legislative "**left hand**" fails to keep time with its "**right hand**"!

The Alaska Constitution requires that the Legislature establish and maintain a system of **PUBLIC SCHOOLS**. It doesn't reference just urban schools, or those with the larger **VOTING** population. I have already explained Delta's current and future economic state of disaster. What happens when we are not **able** to fund education with the \$1, 607,389.00 less that **YOU** intend to graciously bestow upon Tok and us to **SHARE**? Where have you calculated the costs of subsequent long-term litigation?

**CSSB 36 is RURAL GENOCIDE!!** Please **DO NOT** sacrifice our children and their education for the **VOTES** of the masses!

Jackie Nelson-Lizardi  
President, DGESPA  
HC 60 Box 4180  
Delta Jct., AK 99737  
(907) 895-4217 fax (907) 895-4278

**Hughes Tribal Council**  
**Hut'odleekkaakk'et Tribe**  
**P.O. Box 45029**  
**Hughes, Alaska 99745**  
**Ph. (907) 889-2239(35)**  
**Fax (907) 889-2252**

**Members of House Hess:**

Representative Green  
 Representative Bundle  
 Representative Vezey  
 Representative Dyson  
 Representative Porter  
 Representative Brice  
 Representative Kemplen  
 Fax Number (907) 456-3871

**Esteemed House Members:**

This village is in opposition of SB 36. Our school is important to us, and we feel that legislation is taking our much needed funding. We don't think that it's fair to change the funding formula, which the Supreme Court deemed fair in *Matanuska-Susitna Borough vs. State of Alaska*.

The base foundation unit formula hasn't been changed for ten years, going up only \$1,000.00 in value since 1988. We feel that taking money from rural schools to increase the urban school funding is wrong! Increasing the unit value from \$61,000.00 to a higher figure, to cover inflation rates for both urban and rural school districts is preferable to SB 36's funding recommendations, because when the McDowell Group did the study to come up with this plan, they failed to factor in the higher cost of living in rural areas.

Maintenance and operating costs are not high enough priority with SB 36 requiring 70% of the funding be spent on instruction. Please listen to our appeal to deal fairly in this issue, instead of taking from the rural schools and giving to the urban schools! We demand fair treatment!

Sincerely,

Claude Kaypak, TFS

Frank Ambrose, Water plant Operator

Pat Williams, C.M.

Lorraine B. Williams, Bookkeeper & Office Manager

Sandra McLafferty, Tribal Administrator

Jammy Seager, Health Aide (T.C.)

Ray Adams, Store Manager

Ella D. Sam - Mayor - Pastoral  
Virginia Red - Principal / Teacher

Hughes Tribal Council  
 Hut'odleckkaakk'et Tribe  
 P.O. Box 45029  
 Hughes, Alaska 99745  
 Ph. (907) 889-2239(35)  
 Fax (907) 889-2252

Page 2: Members of House Hess, signatures

<u>CIMMIUS MOORE</u>	<u>C. Kitty O'Connor</u>
<u>Healy &amp; Beatus</u>	<u>Bill S. Williams</u>
<u>Jameson Beyer</u>	<u>Ronald A. Beatus</u>
<u>Florence A. Ambrose</u>	<u>Michelle Amundsen - Teacher</u>
<u>Alan L. Smith</u>	<u>Laphie Beatus</u>
<u>Aaron Ast v. Island</u> <small>5/1/98 Teacher Aide</small>	<u>Jannys Williams</u>
<u>Almira Beatus</u>	<u>Gilbert Scott</u>
<u>Y. J. Ambrose</u> <small>Teacher</small>	
<u>Healy Ambrose</u>	
<u>Lige Ambrose</u>	
<u>Jina Ambrose</u>	
<u>Maura Ambrose</u>	
<u>Clarence J. Allen</u>	

HVC/tef

DON BREMNER  
P.O. BOX 295  
YAKUTAT, ALASKA 99689

APRIL 1, 1998

RE: OPPOSITION TO SB 36

Chair: HESS Committe,

This letter is to oppose passage of SB 36. Aside from the equity questions involved in passing such a bill it is important to consider village wide ramifications of depriving rural Alaskan children a quality education. Our rural communities are already struggling with cash shortages and to cut into education funds only places more negative pressure on the village society.

SB 36 has potential to divide the various races of people in Alaska into racial groups where minorities in Rural Alaska lose the educational tools to becoming effective citizens in our society. This is the first step where the rich get richer and the poor get poorer.

I would recommend that our legislators look at other options this year before changing the funding formulas to solve budget issues and political party differences.

Thank-You for your time and consideration.

Sincerely,

  
Don Bremner



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the House  
HESS  
 Committee on SB 36 Committee Name  
 Dated April 1, 1998  
 Bill / Subject

Senate Bill 36 does not do anything to solve problems with the funding formula or to fix any of the problems we face in education in our state. Taking money from rural kids to give to urban children will only exacerbate inequities and will not solve any of the difficulties. As a parent and teacher who has lived and worked and schooled my own children in both rural and urban Alaskan schools, I can tell you that <sup>children in</sup> rural schools already do not have the breadth of educational opportunity that urban children have. Cutting these opportunities further will be an overt act of active discrimination. Instead, we should invest in our futures by adequately funding all schools so each child has equal opportunity to excellent education, regardless of their diverse needs. Equality does not mean the same - it means having ones needs met so one has the same opportunity. Rural schools, rural children are already struggling to have their needs met. Vote no on SB36. Have the courage to solve the real problems - not do make more through the illusion of a ~~fake~~ fix. Let's find a fair solution to the problem. SB36 is <sup>simple but it is</sup> not fair. I welcome change - but change for the better, not for the worse.

SIGNED:

Maria Kallen Brown  
Testifier

Self, my children, Alaska's future - all our children  
Representing

P.O. Box 84056 Fairbanks, AK 99708 (907) 457-7270  
Address / Phone Number

change - but  
for the  
better, not  
for the  
worse.



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the House HESS Committee  
 Committee on PB 36 / School Funding Committee Name  
 Dated 1.1.98  
Bill / Subject

It is quite ironic that this bill is Health/Education/Soc. Svcs., for with this bill, you will hurt the health/education/social services of all rural children. Taking away varied means for Native people to flourish academically is a not so veiled means of discrimination.

You said to write "We share a goal for equal funding" — apparently your math skills are equal to your reasoning — short and uncalculated.

You also said you have taken 2-3 years before this bill — what were you waiting for — Venetie? To further erode self determination.

Forced assimilation will not work, it has not in the past, nor will it work now.

You care not for the rural Native people, that is evident — you spend \$1 million to fight against the Natives, now you do it again in education, except it is costing millions. you

SIGNED: Tony Cantil  
 Testifier

myself and many other Alaskan Native Parents/children  
 Representing

P.O. Box 81870 Fairbanks, AK 99767  
 Address / Phone Number

will pay grave consequences if this bill is  
passed. The consequences? Revolt, legal suits  
and unrest.

You already have a history of not listening  
or caring for Native people → go ahead

do what your history tells you and we will  
do what we have to.



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the HOUSE EDUCATION AND SOCIAL SERVICES  
 Committee on SB-36 Committee Name  
Bill / Subject Dated 1 APR 98

MY NAME IS DENA IVEY AND I'VE BEEN A RESIDENT OF ALASKA FOR THE PAST 26 YEARS. I AM ALSO OF YUPIK HERITAGE. I WAS FORTUNATE, GROWING UP, TO RECEIVE A TOP-NOTCH PUBLIC EDUCATION. I'D LIKE TO BELIEVE THAT I WOULD HAVE RECEIVED THIS SAME QUALITY OF EDUCATION, REGARDLESS OF WHERE I HAPPENED TO BE LOCATED. UNDER SB-36, THERE IS A VERY REAL THREAT TO ALASKA NATIVES, AND ALASKA NATIVE CULTURE, SIMPLY BY VIRTUE OF WHERE THEY HAPPEN TO BE LOCATED IN A GEOGRAPHIC SENSE. PERHAPS THE INTENT OF THIS BILL IS HONORABLE, PERHAPS NOT. IT IS IRREFUTABLE, HOWEVER, THAT THIS BILL IS DISCRIMINATORY, WHICH IS COUNTER

SIGNED: Dena Ivey over  
 Testifier  
FBI'S CHAPTER, ALASKA NATIVE BROTHERHOOD/SISTERHOOD  
 Representing  
P.O. Box 80164 Fairbanks, AK 99708 456-2471  
 Address / Phone Number

TO THE PROTECTIONS WHICH OUR CONSTITUTION (FEDERAL AND STATE) GUARANTEES US. IF THE STATE GOVERNMENT REFUSES TO DISCRIMINATE IN THE AREA OF A RURAL PREFERENCE FOR SUBSISTENCE, WHY IS IT SO PREPARED TO DISCRIMINATE IN THE AREA OF AN URBAN PREFERENCE FOR EDUCATION? IT SMELLS OF RACISM, INTENDED OR NOT.

THANK YOU.



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the House Hess Committee  
 Committee on SB 30 Dated 04-01-98  
Committee Name  
Bill / Subject

I am writing this testimony, as an exercise of my right as a resident of Alaska. I am a member of the Venetie Reservation and I vehemently oppose SB30 and urge the committee to vote NO.

I myself have benefitted greatly from public schools not only in Alaska but across the country. Today I hold a degree in International Relations from The George Washington University in Washington, D.C.. From my own work experience on Capitol Hill over the past 5 years, I now have a much clearer understanding of how politics operates on a national level and how legislation affects the citizens of this country or of this state or in my case, the members of my tribe. Most importantly, I now obtain the knowledge and skills to better the livelihood of the Ewich in people and all people in the state of Alaska.

Currently, in addition to taking 12 credit hours at UAF, I am an Alaska Native Edu. tutor at Ladd Elementary. Ironically, the majority of children I work with are non-native. Regardless, my primary interest is the

SIGNED:

Primo B. Peter - Raboff  
 Testifier

Representing

1325 Shields Dr. Fairbanks, AK 99709  
 Address / Phone Number

development of the most influential minds of the children I work with. Again, my primary interest is to see that all children are given the equal opportunity to develop their minds in order to better benefit rural communities, urban communities, and our society as a whole.

SB 36 will surely be of great benefit to urban schools, however, ~~the~~ benefit will come by an outrageous and unjustifiable cost to rural schools. There are some issues, I believe members of the Alaskan Legislature, should be able to answer — not based on strictly political influence, but based on the equal rights that may be found in both the constitution of Alaska and that of the United States.

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

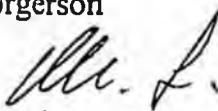
130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

## MEMORANDUM

March 10, 1998

**SUBJECT:** Public school funding - (CSSB 36(FIN)) (Version "R")

**TO:** Senator John Torgerson

**FROM:** Michael F. Ford   
Legislative Counsel

You have asked if CSSB 36(FIN), version "R", raises any constitutional issues. I believe the bill as written does not violate the state or federal constitutions.

Under Article VII, sec. 1, of the Alaska Constitution the legislature is required to "establish and maintain" a system of public schools. However, in creating the public school system the legislature has broad authority. Recently, the Alaska Supreme Court rejected a court challenge to the existing system for funding public schools and also described the authority of the legislature in creating a public school system. In Matanuska-Susitna Bor. v. State, 931 P.2d 391 (AK 1997), the court indicated that the legislature has wide latitude "in furthering public policy objectives even when the means chosen may happen to have severely disparate impacts on certain classes of taxpayers." In that case the court rejected an equal protection challenge based on the fact that the law required a local contribution from some school districts but not others. The court found that all that is required to pass constitutional review is that there must be a "fair and substantial relationship" between the means chosen and the ends achieved. Also a greater degree of over or under inclusiveness is tolerated in this situation because the interests involved (tax equality) are at the low end of the scale of protected interests.

In short, the legislature has broad latitude to fashion a public school funding plan and that plan can tax different areas of the state at different levels or in different ways.

You have also asked if CSSB 36(FIN) violates any civil rights. I do not believe that it does. Under 42 U.S.C. 2002 (The Civil Rights Act of 1964), discrimination on the basis of race, color, or national origin is prohibited. I do not think that the provisions of CSSB 36(FIN) discriminate on a race, color, or national origin basis. The only case in this state that I am aware of in which civil rights were alleged to be violated by the state's public school program was Tobeluk v. Lind, 589 P.2d 873 (Alaska 1979). In that case the complaint concerned the failure of the state to provide schools in rural areas and one of the issues raised was an allegation of racial discrimination in violation of 42 U.S.C. 2000d. However, the

Senator John Torgerson

March 10, 1998

Page 2

state settled that case without reaching the merits of the claimed discrimination. In the more recent Matanuska case, the claims involved allegations that the existing funding formula violated of the state equal protection clause, but that case did not raise civil rights violations. The present funding formula in CSSB 36(FIN) does not allocate funds on the basis of race, color, or national origin. As such, I do not think that any civil rights are violated by the bill.

Please contact me if you have further questions.

MFF:glc

98-156.glc

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101


130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

## MEMORANDUM

March 25, 1998

**SUBJECT:** Public schools - (CSSB 36(FIN) am)

**TO:** Representative Con Bunde  
Attn: Lynne Smith

**FROM:** Michael F. Ford   
Legislative Counsel

I wanted to bring a title issue to your attention regarding the employment tax proposed in amendment 0-LS0070\RA.9. Under article II, section 13, of the Alaska Constitution the subject of each bill is required to be expressed in the title. I wanted to warn you that it is possible that the existing title of CSSB 36(FIN) am "relating to public schools" could be found to be insufficient notice of the tax provisions contained in the amendment. There are no cases that have interpreted this notice requirement by our Supreme Court.

This question could be avoided by amending the title to include reference to the employment tax. As you know however, the uniform rules require suspension, when the title to a bill is changed in the second house.

Please contact me if you have further questions.

MFF:glc  
98-188.glc

Enclosure

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

## MEMORANDUM

March 25, 1998

**SUBJECT:** Taxation in the unorganized borough - (CSSB 36(FIN) am))

**TO:** Representative Con Bunde  
Attn: Lyane Smith

**FROM:** Michael F. Ford *M.F.*  
Legislative Counsel

You have asked if the legislature can impose a tax in the unorganized borough, as a local contribution to public schools. I believe the legislature has this power.

Under article X, section 6, of the Alaska Constitution, the legislature has the authority to "exercise any power or function in the unorganized borough which the assembly may exercise in the organized borough." I think this provision is quite clear. The legislature acts as the assembly for the unorganized borough and can impose a tax on the residents of the unorganized borough if it chooses to do so. Funds collected under the tax cannot, however, be dedicated to public schools.

Please contact me if you have further questions.

MFF:jdr:glc  
98-190.jdr

*advised*

AMENDMENT

#1

OFFERED IN THE HOUSE

TO: CSSB 36(FIN) am

1 Page 10, lines 7 - 9:

2 Delete "If it makes the district eligible for more state aid under the program, a district  
3 may transmit, within two weeks after the 20-school-day period ending the second Friday in  
4 February, a similar report for that counting period."

5 Page 10, line 18:

6 Delete "periods"

7 Insert "period"

AMENDMENT # 2

OFFERED IN THE HOUSE

TO: CSSB 36(FIN) am

1 Page 1, lines 12 - 14:

2 Delete all material and insert:

3 "(3) impose a public school local contribution requirement on regional  
4 educational attendance areas by imposition of a three percent employment tax in the  
5 unorganized borough."

6 Page 3, line 12:

7 Delete "."

8 Insert ":

9 "(3) the local contribution of a regional educational attendance area is  
10 equal to the employment tax imposed under AS 43.42 that is collected in the previous  
11 fiscal year from individuals, including nonresidents, employed in the regional  
12 educational attendance area."

13 Page 3, following line 24:

14 Insert a new subsection to read:

15 "(e) In the fiscal year following the fiscal year of collection, a regional  
16 educational attendance area is, subject to appropriation, entitled to receive money  
17 collected under AS 43.42 in that regional educational attendance area."

18 Page 19, following line 26:

19 Insert a new bill section to read:

20 "\*\* Sec. 32. AS 43 is amended by adding a new chapter to read:

21 **Chapter 42. Unorganized Borough Employment Tax.**

22 **Sec. 43.42.010. Purpose; nonresident taxation.** It is the purpose of this

1 chapter to impose an employment tax on individuals who are employed in the  
2 unorganized borough, including those individuals who are nonresidents who are  
3 employed in the unorganized borough.

4 **Sec. 43.42.020. Tax imposed.** In each calendar year, there is levied an  
5 employment tax upon each individual who receives compensation for services  
6 performed in the unorganized borough outside of a home rule or first class city as an  
7 employee or receives self-employment earnings from business activities conducted in  
8 the unorganized borough outside of a home rule or first class city. The tax on an  
9 individual is three percent of

10 (1) compensation paid to that individual by an employer who has a  
11 business situs in the unorganized borough outside of a home rule or first class city for  
12 services performed in the unorganized borough outside of a home rule or first class  
13 city in the calendar year as an employee of that employer;

14 (2) that individual's self-employment earnings from business activities  
15 conducted in the unorganized borough outside of a home rule or first class city in the  
16 calendar year.

17 **Sec. 43.42.030. Determination of business situs.** For purposes of  
18 AS 43.42.020, an employer has a business situs in the unorganized borough outside  
19 of a home rule or first class city if, at any time in the calendar year, an individual  
20 performs services in the unorganized borough outside of a home rule or first class city  
21 as an employee of that employer.

22 **Sec. 43.42.035. Credit against tax.** An individual is entitled to a tax credit  
23 against the tax levied on the individual by this chapter equal to the amount paid by  
24 the individual in taxes in a city or borough school district that is contributed to the  
25 school district. An individual may claim a credit under this section by providing  
26 proof of payment to the employer on a form approved by the Department of Labor  
27 or by providing proof satisfactory to the Department of Labor of payment of the tax  
28 in the city or borough school district.

29 **Sec. 43.42.040. Collection, reporting, and remittance of tax on employee**  
30 **compensation.** (a) An employer making payment of compensation for services  
31 performed in the unorganized borough outside of a home rule or first class city shall  
32 withhold from the payment the tax levied by this chapter. Unless a credit is allowed

1 under AS 43.42.035, the employer shall withhold three percent of each payment of  
2 compensation and shall file a return and remit the taxes as required by (b) or (c) of  
3 this section.

4 (b) Except as provided in (c) of this section, the return required by this  
5 section must be filed, and the withheld taxes remitted, by the date the employer's  
6 regular quarterly report of employment security contributions under AS 23.20 is  
7 required to be filed. The employer shall file a return by reporting amounts withheld  
8 under this section during the preceding calendar quarter, and any additional  
9 information required by regulation adopted under AS 43.42.050(a), to the Department  
10 of Labor on forms provided by the Department of Labor together with the employer's  
11 regular quarterly report of employment security contributions under AS 23.20. With  
12 each return filed under this subsection, the employer shall remit the taxes required to  
13 be withheld under this section during the preceding calendar quarter.

14 (c) An employer who is required to withhold and remit taxes under this  
15 section but who is not subject to the reporting requirements of AS 23.20 shall file a  
16 return and remit the taxes as required by this subsection. On or before the last day  
17 of the month following each calendar quarter in which taxes were withheld under this  
18 section, the employer shall file with the department a return on forms provided by the  
19 department and shall remit the taxes required to be withheld during the preceding  
20 calendar quarter. In the return, the employer shall report amounts withheld under this  
21 section during the preceding calendar quarter and any additional information required  
22 by regulation adopted under AS 43.42.050(a).

23 **Sec. 43.42.050. Administration of tax on employee compensation.** (a)  
24 After consultation with the Department of Labor, the department shall prescribe, by  
25 regulation, any additional information that must be included in a return filed under  
26 AS 43.42.040 in order for the department to calculate, determine, collect, or enforce  
27 the tax levied by this chapter. The Department of Labor shall include, on forms for  
28 reporting under AS 23.20, space designated for reporting amounts withheld under  
29 AS 43.42.040 and for providing any additional information required by department  
30 regulations. The department shall coordinate with the Department of Labor to  
31 maximize the use of existing reports to the department and to the Department of  
32 Labor.

1 (b) The Department of Labor shall provide to the department the information  
2 collected under AS 43.42.040 that relates to the tax levied by this chapter.

3 (c) The Department of Labor shall report to the department a failure of an  
4 employer to timely report or remit the tax levied by this chapter. The Department of  
5 Labor may not use the provisions of AS 23.20 to enforce the collection or remittance  
6 of the tax levied by this chapter. Reporting forms and other records relating to the  
7 tax levied by this chapter that are maintained by the Department of Labor are prima  
8 facie evidence of timely reporting and remittance, or failure to timely report or remit,  
9 under AS 43.42.040.

10 **Sec. 43.42.060. Administration and payment of tax on self-employment**  
11 **earnings.** (a) An individual who is subject to the tax on self-employment earnings  
12 levied by this chapter shall file a return with the department, and with the return shall  
13 pay the tax, in the manner required by this section. The return must be filed on a  
14 form provided by the department.

15 (b) The individual shall file a return for each calendar quarter in which the  
16 individual had self-employment earnings and make a payment of three percent of the  
17 individual's self-employment earnings in that quarter.

18 (c) Returns must be filed and payments made, as required by (b) of this  
19 section, on or before the following dates:

- 20 (1) April 15, for the first calendar quarter of a year;  
21 (2) July 15, for the second calendar quarter of a year;  
22 (3) October 15, for the third calendar quarter of a year;  
23 (4) January 15 of the following year, for the fourth calendar quarter  
24 of a year.

25 **Sec. 43.42.070. Record of tax withheld from employees; refunds.** (a) An  
26 employer who withholds tax under AS 43.42.040 shall furnish to the employee before  
27 February 1 of each calendar year a record of the amount of tax withheld from that  
28 employee's compensation in the preceding calendar year. The employer shall pay to  
29 the department a penalty of \$10 for each failure to provide the record required by this  
30 subsection.

31 (b) On or before April 15 of a calendar year, an individual may file with the  
32 department, on forms provided by the department, a claim for the refund of excess tax

1 withheld or paid for the preceding calendar year. The individual shall attach the  
2 records provided by employers or other proof of payment acceptable to the department  
3 to support the refund claim.

4 **Sec. 43.42.080. Disposition of and accounting for tax proceeds.** (a) The  
5 money collected by the department under this chapter shall be deposited in the general  
6 fund of the state, and the proceeds from the tax shall be separately accounted for by  
7 regional educational attendance area. A regional educational attendance area is,  
8 subject to appropriation, entitled to receive money collected under this chapter from  
9 that area. The legislature may appropriate the estimated balance of the account to the  
10 public school account established under AS 14.17.300.

11 (b) In this section, "regional educational attendance area" means an area of  
12 the unorganized borough specified as an educational service area under  
13 AS 14.08.031(a).

14 **Sec. 43.42.090. Regulations.** The department may adopt regulations to  
15 interpret and implement this chapter.

16 **Sec. 43.42.099. Definitions.** In this chapter.

17 (1) "business activities" means activities or acts of a commercial,  
18 occupational, professional, or like nature, that are engaged in or caused to be engaged  
19 in with the object of financial or pecuniary gain, profit, or benefit; "business  
20 activities" does not include

21 (A) providing services as an employee;

22 (B) furnishing or selling of property, services, substances, or  
23 things by a person who does not represent to be regularly engaging in those  
24 transactions;

25 (C) an individual's investment or banking activities relating to  
26 that individual's personal property;

27 (2) "calendar quarter" means each of the three-month periods ending  
28 March 31, June 30, September 30, and December 31;

29 (3) "compensation for services" means gross wages, salaries, tips, and  
30 other remuneration paid to an employee by an employer; "compensation for services"  
31 does not include

32 (A) remuneration for attendance at events such as trade shows.

- 1                   conventions, or educational or scientific workshops or seminars; or
- 2                   (B) compensation earned by a prisoner under AS 33 at a rate
- 3                   less than the minimum wage established under AS 23.10;
- 4                   (4) "employer" means a person making payment of compensation for
- 5                   services who is required to deduct and withhold income taxes under provisions of
- 6                   26 U.S.C. (Internal Revenue Code);
- 7                   (5) "individual" means a natural person who was 19 years of age or
- 8                   older on January 1 of a calendar year;
- 9                   (6) "self-employment earnings" means gross receipts from a business
- 10                  activity that are not paid by an employer less the expenses incurred to produce the
- 11                  gross receipts;
- 12                  (7) "tax" means the employment tax levied by this chapter."

13    **Renumber the following bill sections accordingly.**

Renumber internal references to bill sections in accordance with this amendment. Below are all internal bill section references in this bill:

- Page 1, line 6
- Page 20, line 9
- Page 20, line 14
- Page 20, line 23
- Page 20, line 24
- Page 21, line 8
- Page 21, line 11
- Page 21, line 16
- Page 21, line 20



**ANNIE M. JOHN**  
**P.O. Box 9157**  
**Nikolai, Alaska 99691**

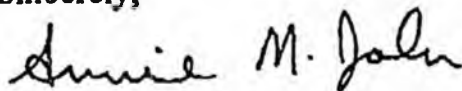
April 1, 1998

Senators & House of Representatives  
State Capitol  
Juneau, Alaska 99801

TO WHOM IT MAY CONCERN:

I would like to express my opposition to Senate Bill 36 because our children out here in the rural areas will feel the biggest impact if it passes. The bill will force our schools to close and then where will the equity be as I keep hearing that the specific purpose of SB36 is to solve the supposed inequity in school funding. Our children have been having to make do with what little funding they have and it would be shame to take away even more from them. The funding that we currently have does not even cover extras such as fine arts, music, and whatever else the urban kids take for granted. I've always believed that you all were elected to represent everyone in the State and I've been getting more disillusioned lately listening to all that's been happening down there in the legislature. What do we have to do to be treated as equals? Please take us into consideration when SB36 comes up for a vote. Please vote NO. Thank you.

Sincerely,



Annie M. John,  
Advisory School Board Member & Concerned Parent

P.S. Please don't play an April Fool's Day joke on our kids. They deserve better than that.

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REPRESENTATIVE IRENE NICHOLIA

ANN G. ALEXIA  
P.O. Box 9126  
Nikolai, Alaska 99691

April 1, 1998

Senators & House of Representatives  
State Capitol  
Juneau, Alaska 99801

TO WHOM IT MAY CONCERN:

I strongly oppose Senate Bill 36 because the Bill will cause even more division between rural and urban students and families. What kind of message are we sending our children through passage of bills such as these? What makes one class of citizens better than the other? I personally think that we, as Alaskan citizens, should be treated equally and I've yet to see that. Our children do not have the opportunities that urban children enjoy because of the already limited funds that we've been getting. We, and especially the children, deserve better than that. Our kids don't even have opportunities for music lessons and other fun things such as going to a museum, etc. I still am not convinced that anything needs to be fixed - instead I feel that battle lines are being drawn even tighter between urban and rural. Let's not fix something that's not broke. Please vote NO on Senate Bill 36. Thank you!

Sincerely,

*Ann G. Alexia*

Ann G. Alexia,  
Advisory School Board Member

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REPRESENTATIVE IRENE NICHOLIA

Native Village of Kwihagak  
 Quinhagak L.R.A. Council  
 P.O. Box 149  
 Quinhagak, Alaska 99655  
 (907) 556-8165 Fax: 556-8166



City of Quinhagak  
 City Council  
 P.O. Box 90  
 Quinhagak, Alaska 99655  
 (907) 556-8615 Fax: 556-8540

## RESOLUTION 98- -

**A RESOLUTION OPPOSING ALASKA SENATE BILL NO. 36 ENTITLED: AN ACT RELATING TO THE PUBLIC SCHOOL FUNDING PROGRAM; RELATING TO THE DEFINITION OF A SCHOOL DISTRICT, TO THE TRANSPORTATION OF STUDENTS, TO SCHOOL DISTRICT LAYOFF PLANS, TO THE SPECIAL EDUCATION SERVICES AGENCY, AND TO THE CHILD CARE GRANT PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE."**

WHEREAS, The Native Village of Kwihagak (NVK) AND City of Quinhagak represents the political interests and promotes the well-being of the Yup'ik Tribal community of Quinhagak, Alaska; and

WHEREAS, NVK's and City's role and responsibility includes advocating for the rights and interests of the people of the region in pursuing governmental services to address their basic human needs and improve their living conditions; and

WHEREAS, The most important resource of the region is its children and it is of critical importance to provide for the future and well-being of the children through education which is a basic human right available to all children no matter where they live or what their ethnic background is; and

WHEREAS, The State of Alaska formed and funded Rural Education Attendance Area School Districts to enable equitable and fair access to education of children living in rural remote villages throughout Alaska; and

WHEREAS, Education of the children through the Rural Education Attendance Area School Districts is vital not only to provide for the future of the children, but also to maintain the indigenous native culture, integrity, way of life, general well-being and livelihood of the people throughout rural Alaska; and

WHEREAS, The people of the region need and require the same level of basic education services afforded to all Alaskans; and

WHEREAS, The Alaska State Legislature intends to extinguish rural education funding through Senate Bill 36 which seeks to redistribute education funding dollars from rural school districts to urban schools, redefining school district boundaries, proposing employment taxes of 4% for districts without an economic base, and redefining most education processes as we know them; and

WHEREAS, The NVK and City lack the economic infrastructure and economic base to bear the burden of an employment tax to finance basic education and other basic human services; and

WHEREAS, Such a measure would cripple regions such as NVK and City, already experiencing an economic disaster from recent fishery industry failures; and

WHEREAS, Passage of this bill will have long and drastic effects on the operations of the rural school districts and the support and assistance in all areas of education provided for the children of the region; and



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WHEREAS, Passage of this bill will also halt the enormous academic progress of the children living in rural Alaska in areas of mathematics, reading, and writing, and in particular, it will halt the advancement of knowledge, skills and abilities of the children and their future contribution to the general well-being and economy of the region; and

WHEREAS, The rural school districts are working diligently and successfully to support and assist in this process.

NOW THEREFORE BE IT RESOLVED, That the Council of the Native Village of Kwinbagak and Council of City of Quinhagak respectfully implores and requests the Alaska State Legislature to reconsider its position and action towards the children of rural Alaska.

BE IT FURTHER RESOLVED, That the Council of the Native Village of Kwinbagak and Council of City of Quinhagak hereby opposes passage of Senate Bill No. 36 by the Alaska State Legislature.

PASSED 20<sup>th</sup> day of March 1998, by the Council with a duly constituted quorum of members present.

CERTIFICATION:

Marie A. Smith  
SECRETARY

Wanilie Barilla  
PRESIDENT

Stella Cleveland  
SECRETARY

Lophi Evans  
MAYOR



**Southwest  
Region  
School  
District**

April 1, 1998

Health Education and Social Services Committee  
Alaska State Capitol  
Juneau, Alaska 99801-1182

Dear Committee Members:

I received a fax from Representative Ivan M. Ivan regarding the opportunity for Public Testimony regarding SB 36. I am unable to participate in person so I ask you to consider this letter my testimony.

I urge you to consider an appropriate way to fund education for all children in the State of Alaska. A formula which re-distributes funds from one group of children to another is wrong! All children in Alaska are in need of an education. Please address the needs of all children and find a way to increase funding to education. Again, I urge you to vote against any legislation that would give to one group at the expense of another and cause resentment between rural and urban areas.

Another issue that I would like to address is our need for a new school here in Togiak. Our school was built in the 50's and it is worn out. My custodian just dropped in my office to tell me that the gym ceiling has new leaks that he put cans under to catch the water. This is just one of the many problems that our 40+ year old building has. Other concerns are that the school is too close to the sea wall and subject to flooding. It is also within a few feet of the tank farm.

Please vote against SB 36 and for legislation that allows funds to address the building needs of schools including the new building in Togiak.

Respectfully,

Karen Swenson  
Principal  
Togiak School

P.O. Box 90  
574 Kenny Wren Road  
Dillingham, AK 99576

(907) 842-5287 - Phone  
(907) 842-5428 - Fax

Aleknagik

Clark's Point

Ekwok

Koliganek

Manokotak

New Stuyahok

Portage Creek

Togiak

Twin Hills

Post-It Fax Note	7671	Date	4-2	# of pages	1
To	CON BUNDE	From	Juneau		
Co./Dept	HESS	Co.	DLG L10		
Phone #		Phone #	842 5319		
FAX #	465-3871	Fax #			

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PHONE: (907) 225-8658  
FAX: (907) 225-2836

RAY GRIFFITH, Ed.D.  
SUPERINTENDENT

March 30, 1998

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

Dear Representative:

As president of Southeast Island School District Board, I am writing with serious anxiety about SB 36 and SB 337. Singly SB 36 would devitalize our district. If the Legislature chooses to combined the two bills the devastation would be incomprehensible.

The board, as trustees take our role of providing education for the children in our communities very seriously. We represent twelve communities with schools at the present time. Our current duty and the law require we open and staff the twelve schools. The communities are entitled and the tenured staff have contracts on the opening day. SB 36 does not take into consideration the mandated opening of schools under the present law. Without an amendment to SB 36, we would have the schools open this August with the teachers, students and needed supplies in place and then if the count was down in October the school would be closed. This would leave us with unhoused students, angry parents, contracted teachers and chaos in almost half of our schools.

I rely on my experience as the first mayor serving five terms after the incorporation of Coffman Cove, a second class city in 1989 to address SB 337. I am familiar with Title 29 and know Third Class Boroughs were deleted from the law years ago. From what I gather in Title 29 is after incorporation of a Third Class Borough, an election takes place. Our REAA school board would be replaced by an assembly and mayor. The mayor is the school board president and the assembly is the board. The assembly after the election would pick the form of taxes the borough provides for the schools. The taxed communities are those in the former REAA with or without schools. The residents would be taxed if they had the schools surviving SB 36 and also if their schools were closed.

A Third Class Borough would require an administrator, a staff, an office and equipment. The selected taxation would be divided between the costs of the school district and borough. Two staffs unless the Superman or Superwoman hired by the borough had the expertise in Local Government and School Administration. At the present time we are moving Southeast Island School District's District Office into rooms adjacent to our only gym, in the largest school in the district. I have no idea where a free or another inexpensive office space for a Third Class Borough would exist in our REAA.

We face the potential loss of our present school board members who may select not to run because of the added local government responsibilities and further erosion of our ability to provide education to the children of our district. Please consider all the facts, you are about to implement a chain of events that would devastate Southeast Island School District and the other REAAs. Please consider an amendment to SB 36 that would provide funding to cover the entire 98-99 school year. Then consider another mechanism to provide for the funding in the future.

Sincerely,

A handwritten signature in cursive script that reads "Pat Rowland".

Pat Rowland  
Chair, Southeast Island School Board

HC 1 Box 124 B  
Soldotna, AK 99669  
April 2, 1998

RE: SB 36

Hello, my name is Teresa Hoops and I am a homeschooling parent who has been teaching my daughters for the past 4 years. I believe that as the guardian of my children I should be held accountable for what they are learning. This being so, I also should have the right to choose what curriculum we use and where we get it from. In a public or private school setting, if a parent wanted to have their child in a school on the other side of town from where they live, they have the right to make that choice. Why can't I?

Having my daughters enrolled in a different district should be, again as their parent, my choice. We have been with Copper River School District for 2 yrs. A new computer or the fact that my choice of curriculum is now offered through my own district has no bearings on my desire to change districts. Just as a parent may find teachers/administrators in another school more to their liking, so I have found Copper River School District to be more than helpful in meeting our needs.

By allowing choices of districts, we all can make Alaska a great place to educate our youngsters.

Please DON'T support SB 36.

Thankyou and God Bless You!  
Teresa Hoops

# Rural Alaska Community Action Program, Inc.

Testimony by the Rural Alaska Community Action Program, Inc.  
Regarding Senate Bill 36  
House HESS Committee Hearing, April 1, 1998 - 3:00 pm

---

*Recommend keeping the formula as it is.*

Chairman Bunde and Members of the House Committee on Health, Education and Social Services, my name is Jeanine Kennedy, Executive Director for the Rural Alaska Community Action Program, Inc. The mailing address for the Rural Alaska Community Action Program, Inc., is 731 East 8th Avenue, Anchorage, Alaska.

The Rural Alaska Community Action Program, Inc is a private non-profit with central offices in Anchorage. ~~The agency provides training, information, and advocacy to communities in rural Alaska.~~ The main work of the Rural Alaska Community Action Program, Inc is to administer Head Start and Early Head Start programs in 32 villages statewide, *and ~~is~~ not affected by the educ. funding formula.*

I am here to provide information about how the Rural Alaska Community Action Program, Inc Board of Directors believes that the proposed SB 36 legislation is going to impact villages, children, and the state as a whole.

Senator Randy Phillips has said that the bill will achieve "simplicity, equity, and accountability." We believe the real issue is that urban schools are needing and demanding more money for their operations and administration, while rural schools are saying that current funding from the

*(10 years - there have been only cities on holding the line - no consideration up to the*

Legislature is inadequate to cover their needs. At the same time, the legislative majority is in the middle of its five-year plan to cut the State's operating budget.

*point has been made for increased in costs - or increase in # of students.*

Senate Bill 36's true goal is not "simplicity, equity and accountability."

If it were, the Legislature would approve an *increase* in funding of education in *both* the rural and urban areas of the State. Instead, the Legislature is proposing to take money from one area of the State and give it to another area. In short, the proposed changes to the education foundation formula are nothing more than a redistribution of existing dollars in a fashion that is rapidly creating divisiveness among all of Alaska's citizens.

We live in one of the richest states in the nation with among the lowest of resident populations. We are a state that does not impose an income tax. This is a state where the major urban center, Anchorage does not even have a sales tax. This is a state that has over \$23 *billion* dollars in savings. It is therefore stunning to see the Legislature proposing to cut funding for our children's future in a manner that, if it is carried out as proposed, will have the effect of undermining our education system in drastic ways. This is not right, it is not simple, it is not equitable and it shows that the Legislature does not believe there is any need to be accountable to rural residents who have children in school. The message that is coming from the Legislature is that *money* is more important than children.

The assets that need protection are our children. Alaska's children are the state's investment and its dividend. Children are Alaska's greatest

assets -- yet this Legislature proposes to treat them as troublesome liabilities. The impacts of Senate Bill 36 will be devastating. The impacts of the cuts in rural schools will mean that the number of students per teacher will rise dramatically. If 1.5 positions were cut from East Anchorage High School, for example, it would mean the redistribution of students among dozens of classes. When you cut 1.5 positions in a village school, it could mean one teacher, instead of two. That one teacher will be responsible for teaching 43 students in one class that includes children from Grades 1 - 12. Costs in rural areas are much higher than they are in urban areas. RurAL CAP administers Head Start programs, much of the food for the programs is purchased in Anchorage and then shipped to rural sites -- the cost of the freight doubles the costs of the food. The same must be true for other needs of schools in rural communities compared to an urban center like Anchorage.

The proposals contained within Senate Bill 36 are examples of poor public policy. This bill makes the poorest of Alaska's poor pay for education in communities that contain people with greater advantages in the way of infrastructure that ultimately benefits local schools. Is it "fair" or "equitable" that the children who need the most help, who have the lowest test scores, who live in the most poverty, are the ones who will lose the most? Is it fair to take opportunities from one child in order to provide an even greater advantage to another child?

The RurAL CAP Board requests and urges that the Legislature consider more carefully the impacts of what you are doing to the whole

state. What may serve in the short term politically is short-sighted socially and economically. Thank you for this opportunity to share the views of the Board of Directors of the Rural Alaska Community Action Program, Inc.

---

**Hughes Tribal Council**  
**Hut'odleekkrakk'et Tribe**  
 P.O. Box 45029  
 Hughes, Alaska 99745  
 Ph. (907) 889-2239(35)  
 Fax (907) 889-2252

Members of House Hess:  
 Representative Green  
 Representative Bundle  
 Representative Vezey  
 Representative Dyson  
 Representative Porter  
 Representative Brice  
 Representative Kemplen  
 Fax Number (907) 456-3871

Esteemed House Members:

This village is in opposition of SB 36. Our school is important to us, and we feel that legislation is taking our much needed funding. We don't think that it's fair to change the funding formula, which the Supreme Court deemed fair in *Matanuska-Susitna Borough vs. State of Alaska*.

The base foundation unit formula hasn't been changed for ten years, going up only \$1,000.00 in value since 1988. We feel that taking money from rural schools to increase the urban school funding is wrong! Increasing the unit value from \$61,000.00 to a higher figure, to cover inflation rates for both urban and rural school districts is preferable to SB 36's funding recommendations, because when the McDowell Group did the study to come up with this plan, they failed to factor in the higher cost of living in rural areas.

Maintenance and operating costs are not high enough priority with SB 36 requiring 70% of the funding be spent on instruction. Please listen to our appeal to deal fairly in this issue, instead of taking from the rural schools and giving to the urban schools! We demand fair treatment!

Sincerely,

Claude Kraytak, T.E.V.S.

Frank Ambrose, Water plant Operator

Art Williams, C.M.

Lorraine B. Williams, Bookkeeper & Office Manager

Randra McCafferty, Tribal Administrator

Jammy George, Health Aide (T.C.)

Ray Adams, Store Manager

Ella D. Sam - Mayor - Postman

Virginia Red - Principal / Teacher

Hughes Tribal Council  
 Hut'odleekka'ik'et Tribe  
 P.O. Box 45029  
 Hughes, Alaska 99745  
 Ph. (907) 889-2239(35)  
 Fax (907) 889-2252

Page 2: Members of House Hess, signatures

<u>CHRISTINE MOORE</u>	<u>C. Kitty O'Connell</u>
<u>Henry Beatus</u>	<u>Pete S. Williams</u>
<u>Jameson Beatus</u>	<u>Ronald Beatus</u>
<u>Florence A. Ambrose</u>	<u>Michelle Amundsen - Teacher</u>
<u>Alan Ambrose</u>	<u>Sophie Beatus</u>
<u>Aaron Ast <sup>Student</sup> v. Island</u>	<u>Jannya Williams</u>
<u>Almira Beatus <sup>Teacher Aide</sup></u>	<u>Gilbert S. 171</u>
<u>Yvonne <sup>Teacher</sup> Ambrose</u>	<u>_____</u>
<u>Hayden Ambrose</u>	<u>_____</u>
<u>Lige Ambrose</u>	<u>_____</u>
<u>Jana Ambrose</u>	<u>_____</u>
<u>Maura Ambrose</u>	<u>_____</u>
<u>Clarence J. Olsen</u>	<u>_____</u>

HVC/tef

PETITION AGAINST  
SENATE BILL 36

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*Benjamin Funk* Benjamin Funk Mentasta Lake, AK  
*Helen Barbara Dalke* HELEN BARBARA DALKE. MENTASTA LAKE, AK  
*Ed Nelson* - Mentasta Lodge - Gakona, AK  
*Leah Helwitt* - Gakona AK  
*Billy Stapp* Mile 96 Tok Cut-off TOK AK 99780  
*Betty Denny* BOX 284 TOK AK 99780  
*Rich Witten* Tok AK 99780  
*Bernice Joe*  
*Carl L H* POB 6018 - Mentasta Lake, AK 99780

## STUDENTS AGAINST SB 36

WE, THE UNDERSIGNED STUDENTS OF MENTASTA LAKE KATIE JOHN SCHOOL, STRONGLY OBJECT TO SENATE BILL 36.

SB 36 DOESN'T PROMOTE EQUALITY OF EDUCATION IN THE STATE OF ALASKA. IT IS NOT POSSIBLE TO HAVE QUALITY EDUCATION IN THE RURAL AREAS WHEN THE RURAL SCHOOLS ARE LEFT WITHOUT ADEQUATE FUNDING, STAFF, AND SUFFICIENT RESOURCES.

THIS BILL PLACES ALL RURAL STUDENTS ON UNEQUAL FOOTING WITH URBAN/CITY STUDENTS. WE DO NOT HAVE THE SAME AVAILABLE TEXTS, STAFF, RESOURCES, OR EVEN BUILDINGS AND ACTIVITIES. THE URBAN AND CITY SCHOOLS HAVE SO MUCH MORE THAN WE HAVE ALREADY. YOU ARE DISCRIMINATING AGAINST US. WE URGE YOU TO DEFEAT SB 36.

---

SIGNATURE	PRINTED NAME	GRADE
<i>Drew Patrick</i>	DREW Patrick	10
<i>Angie David</i>	Angie David	8 <sup>th</sup>
<i>Jamie John</i>	Jamie John	9 <sup>th</sup>
<i>Misty John</i>	Misty John	5 <sup>th</sup>
<i>Maxine Chichalusion</i>	Maxine Chichalusion	5 <sup>th</sup>
<i>Rambo Chichalusion</i>	Rambo Chichalusion	7 <sup>th</sup>

David David Nicholas 5<sup>th</sup>

Nicholas

Autumn Nicholas Autumn Nicholas 7<sup>th</sup>

Daniel Jordan Daniel Jordan 10<sup>th</sup>

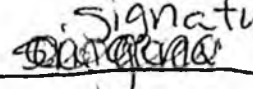
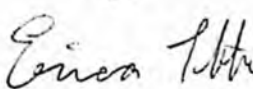
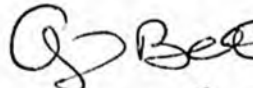
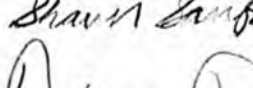
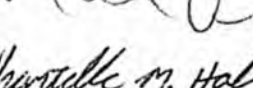
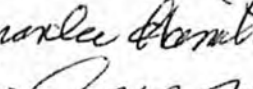
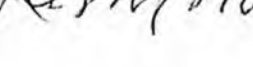

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<u>signature</u>	<u>print</u>	<u>village</u>
		
	Erica Tibbits	Mentasta
	Evelyn Beale	Christochina
	Shawn Sanford	Christochina
	Nora David	Mentasta
	Chantelle M. Hobbs	Christochina
	Marilee Hamilton	Christochina
	JOHANNA/Nicola	Mentasta

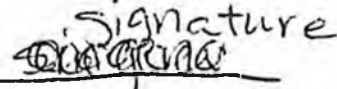
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<u>Signature</u>	<u>print</u>	<u>village</u>
	Virginia Jom	Mentasta
Virginia Jom	KARL MARTIN	— — —
Karl Martin	BEATRICE PATRICK	MENTASTA
Beatrice Patrick	Steven P Patrick Jr	mentasta
Steve Patrick	Tommy C EVANS	MENTASTA
Tommy Evans	LEE NICOLA	MENTASTA
Lee Nicola	Donna Galbreath	Faulkns / Mentast
Donna Galbreath	SANDY JOM	mentastee
Sandy Jom		

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*Kathryn Martin*

Kathryn Martin

P.O. Box 6001

Mentasta, AK.  
99780

*Rachele David*

Rachele David

PO Box 6004

Mentasta, Ak.  
99780

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signature

print

village

Katherine K. Sanford  
Joan Herrmann  
Kristi Hughes  
John Schell  
Edmond D. Job  
Yvonne John

Katherine K. Sanford  
Joan Herrmann  
KRISTI HUGHES  
JOHN SANFORD  
BEN F. JOHNSON  
EDMOND D. JOB  
YVONNE JOHN

Chistochina  
Valdez  
Gakona  
Gulkana  
Mentasta  
TETLIN AK  
TETLIN AK

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<u>Signature</u>	<u>Print Name</u>	<u>Village</u>
Fred John Jr	Fred John Jr	Mentasta Lake
Robert John Jr.	Robert John Jr.	Mentasta Lake
Linda Barlip	Linda Barlip	Mentasta Lake
Suraiya John	Suraiya John	Mentasta Lake
Cecil Gail Sanford	Cecil Gail Sanford	Mentasta Lake
Jennette John	Jennette John	Mentasta Lake
Ray G. Dale	RAY G. DALE	MENTASTA LAKE

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<i>Dale P. John</i> Dale P. John	574-50-7509 Box 6061	"I Vote <del>for</del> Against" Mentasta Lake, AK 99780
<i>Jessie A. Whitmore</i> Jessie A. Whitmore	574-72-0912 Box 6061	"Against" Mentasta Lake, AK 99780
<i>Robert M. John</i> "Katie John" <i>Katie John</i>	574-48-6908 574-16-1748	"I Vote Against" Mentasta Lake, AK 99780
<i>Ramona K. David</i> Ramona K. David	574-32-3197 Box 6074	"Mentasta" "against" "against" Mentasta, AK 99780
<i>Mark Moren</i> Mark Moren	472-74-6629 Box #546	(Against) Tuk, AK 99780
<i>Rosemarie Rice</i> Rosemarie Rice	P.O. Box 6006	Mentasta Lake, AK 99780
<i>Mark Pope</i> MARK POPE	Po Box 610	TOK AK

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Signature  
David Townsend

print  
David Townsend

village  
Mentasta

David Townsend

David Townsend

Mentasta  
Lake, Ak

April 6, 1998

Alaska State legislature

Juneau, Alaska

Dear Legislators;

Please do not support Senate bill  
36. This bill is not fair. We want a  
good education - just like the  
kid in the city. I want to  
be a FBI Agent.

Good bye

Calvin John

April 6, 1998

Alaska State Legislature  
Juneau, Alaska,

Dear Legislator;

Please do not support Senate Bill  
36. This bill is not fair. We want  
a good education - just like the kids  
in the city. I want to be a F.B.I Agent.

Sincerely,

William Chickalusion

April 1, 1998

Alaska State Legislature  
Juneau, Alaska

Dear Legislator,

Please do not Support Senate

Bill 36 This bill is not fair We

want a good education - just like the kids

kids in the city I want to be a

Dentist.

Sincerely,

Angel Joseph

April 1, 1998

Alaska State Legislature  
Juneau, Alaska

Dear Legislator;

Please do not support senate Bill 36.  
This bill is not fair. We want a good  
education—just like the kids at the  
city. I want to be a Scientist.

Sincerely,  
Andrea David



March 27, 1998

The Honorable Con Bunde  
Chair  
Health, Education and Social Services Committee  
House of Representatives  
Alaska State Legislature  
State Capitol, Room #104  
Juneau, Alaska 99801

Dear Representative Bunde:

At Senator Randy Phillips' request, we are responding to Department of Education testimony during your committee's hearing on education funding. We were asked to address two issues.

#### Using the Anchorage Consumer Price Index (CPI) to Adjust District Cost Factors

Our response is that DOE testimony was accurate; the CPI would be useful if the legislature wished to inflation proof *all* districts' cost factors. The CPI is a measure of price inflation for household goods and services from year to year in Anchorage. The CPI does not measure differences in costs among different locations in Alaska, nor does it necessarily reflect changes in school costs. That is why it could be used only to make approximate adjustments for inflation for all education spending, but not to make any specific district-to-district changes. If the legislature chooses, as a matter of policy, to adjust school funding for inflation, a more appropriate use of the CPI would be to adjust the amount of Basic Need per student.

#### Updating District Cost Factors

Updates are not as simple as plugging in new cost numbers and calculating new DCFs. That was the basis for our statement that DOE can't apply the methodology we used. This doesn't mean new DCFs can't be calculated.


DCF's can be updated by repeating the *research process* for the building blocks that lead to the DCFs. The building blocks are instructional, administrative and non-personal services costs plus enrollment by school. This process takes three steps. First, DOE would have to repeat the analysis with updated instructional, administrative and non-personal services costs and arrive at per student costs for all three. Second, these costs would then be compared to costs in all other districts so their *relative* values are determined. Third, the weighted expenditures of each district would be calculated and then combined to have a single DCF represent the weighted outcome of the three expenditure categories on a per student basis.

As you may recall, the study draft had a factor for each of the three cost categories. Then we combined administration and nonpersonal services in a supplemental summary to the report, reducing the number of factors to two. In the final report, for simplicity, we combined them into one factor, the DCF. None of these combinations changed the results in any way. They just simplified the numbers.

DOE would need to repeat both the research process and the calculating methodology, not just the methodology. By a regular process of updating ongoing data bases and improving accounting definitions, the research process can be an integral part of district reporting to DOE.

We hope these comments answer your questions. Please feel free to call with any further questions regarding the *Alaska School Operating Cost Study*.

Sincerely,

A handwritten signature in black ink, appearing to read 'D Teal', with a large, sweeping flourish extending to the right.

David Teal  
Project Manager

cc: Senator Randy Phillips

February 27, 1998

Mr. Jerry Burnett  
Project Manager  
Legislative Budget & Audit Committee

RE: Alaska School Operating Cost Study  
RFP Number LBA972

The February 12 supplement to the *Alaska School Operating Cost Study* explained how to apply the methods and results presented in the January 31 draft report. This letter responds to a request by the Legislative Budget & Audit Committee to further simplify the application of study results by computing District Cost Factors (DCF) that could be applied in the same way that Area Cost Differentials (ACD) are applied under current law.

We computed DCFs by blending adjustment factors for the two components—school level costs and district level costs—described in the February 12 supplement. These blended adjustment factors were incorporated into the Senate Finance Committee Substitute for SB36. A listing of computational steps to obtain the DCFs is followed by a discussion of issues related to the adjustment process.

#### **Computational Steps to Obtain the DCFs that Appear in CSSB36**

Note: Readers should have Table 1 available for reference when reviewing these steps.

1. Use FY96 District Financial Reports to categorize expenditures as "School Level" or "District Level." These categories correspond to the school-level and district-level portions of Basic Need as described in the February 12 supplement to the draft report. There were three expenditure categories in the January 31 report—Instructional, Administrative and Nonpersonal Services. The supplement combined administrative and nonpersonal services expenditures to form a single "district level" category in order to simplify the process. Combining the administrative and nonpersonal services categories does not change the results. The "instructional," or

**Table 1**  
**Computation of District Cost Factors Incorporating the Impacts of Size and Location**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
School District	FY96 School Level Expenditures	FY98 District Level Expenditures	FY98 School Level Expenditures	FY96 District Level Expenditures	Impact of School Level Revisions	Weighted Impact of School- & District-Level Revisions	Current Basic Need	Revised Basic Need	Revised Basic Need per Student	Unadjusted Multiplier	District Cost Factor
<b>Total</b>	<b>625,185,619</b>	<b>273,597,853</b>	<b>69.56%</b>	<b>32.44%</b>			<b>898,783,472</b>	<b>898,783,472</b>	<b>6.206</b>		
Alaska Gateway	3,383,257	2,342,663	59.09%	40.91%	-16%	-9%	6,731,552	6,103,027	7,308	1.178	1.291
Aleutian Region	241,551	338,020	41.68%	58.32%	-35%	-15%	474,515	405,049	9,827	1.583	1.736
Aleutians East	2,725,185	2,615,474	51.03%	48.97%	-19%	-9%	5,108,951	4,624,058	8,053	1.298	1.423
Anchorage	204,656,237	60,739,979	77.11%	22.89%	4%	3%	271,953,111	279,476,903	5,659	0.912	1.060
Annette Island	2,507,088	1,337,956	65.20%	34.80%	8%	5%	3,220,033	3,387,325	5,725	0.922	1.011
Bering Strait	12,061,325	9,913,158	54.89%	45.11%	-16%	-9%	23,726,628	21,591,195	8,629	1.350	1.525
Bristol Bay	1,907,214	1,278,083	59.88%	40.12%	4%	2%	3,145,074	3,214,217	7,141	1.151	1.262
Chenaam	2,425,834	1,385,276	63.65%	36.35%	-18%	-11%	4,156,902	3,685,745	6,338	1.021	1.120
Chugach	819,936	853,209	49.01%	50.99%	-20%	-10%	2,079,775	1,876,885	7,325	1.180	1.294
Copper River	3,521,745	2,088,799	62.77%	37.23%	-6%	-4%	8,880,990	6,626,665	6,654	1.072	1.176
Cordova	2,545,301	1,234,314	67.33%	32.67%	7%	5%	3,957,490	4,135,558	6,202	0.999	1.096
Craig City	2,068,793	1,165,729	63.96%	36.04%	8%	5%	3,099,438	3,259,481	5,717	0.921	1.010
Delta/Grady	4,625,322	2,210,285	67.67%	32.33%	20%	14%	6,980,607	7,929,092	6,259	1.009	1.108
Denali	2,247,675	1,376,955	62.01%	37.99%	-13%	-8%	4,331,405	3,971,471	7,428	1.157	1.313
Dillingham	3,288,484	1,519,182	68.39%	31.61%	7%	5%	4,565,113	4,777,214	7,099	1.144	1.254
Fairbanks	73,318,095	25,762,163	74.00%	26.00%	4%	3%	99,068,384	101,694,035	5,879	0.947	1.039
Galena	1,144,490	1,398,926	45.00%	55.00%	-5%	-2%	1,826,667	1,785,477	7,629	1.229	1.348
Haines	2,109,541	1,061,674	66.52%	33.48%	17%	11%	3,331,733	3,701,288	5,703	0.919	1.008
Hoonah	1,683,254	1,225,858	57.86%	42.14%	8%	5%	2,295,203	2,399,735	5,971	0.992	1.055
Hydaburg	825,092	753,638	45.34%	54.66%	-8%	-3%	1,221,097	1,178,938	6,138	0.989	1.085
Iditarod	3,311,560	2,770,056	54.45%	45.55%	-18%	-10%	7,223,438	6,532,208	8,322	1.341	1.470
Juneau	27,774,576	8,268,552	77.06%	22.94%	1%	1%	32,900,276	33,239,081	5,687	0.916	1.005
Kake	1,105,720	952,283	53.73%	46.27%	3%	2%	1,658,473	1,713,680	5,801	0.935	1.025
Kashunamiut	1,254,897	1,275,822	49.59%	50.41%	-7%	-3%	2,600,706	2,513,258	7,863	1.267	1.389
Kenai	50,069,738	21,664,370	69.80%	30.20%	1%	1%	69,911,021	70,610,868	5,680	0.915	1.004
Ketchikan	11,964,891	4,657,616	71.98%	28.02%	11%	8%	17,242,789	18,818,316	5,545	0.893	1.000
Klawock	1,388,809	949,928	59.38%	40.62%	5%	3%	1,869,066	1,926,635	5,758	0.920	1.017
Kodiak	13,870,675	6,270,695	68.87%	31.13%	2%	1%	21,867,564	22,099,463	6,168	0.997	1.093
Kuspuk	3,842,341	2,176,038	63.84%	36.16%	-16%	-10%	7,289,140	6,539,274	8,113	1.307	1.434
Lake & Peninsula	4,088,046	4,117,755	49.62%	50.38%	-26%	-13%	9,434,303	8,191,150	8,820	1.421	1.558
Lower Kuskokwim	25,266,105	16,103,400	61.07%	38.93%	-10%	-6%	41,520,248	39,071,916	8,436	1.359	1.491
Lower Yukon	11,090,504	7,825,500	59.26%	40.74%	-12%	-7%	20,653,909	19,161,117	8,136	1.311	1.418
Matanuska	60,149,439	16,739,432	78.23%	21.77%	-1%	-1%	77,521,539	77,091,359	5,714	0.921	1.010
Nenana	968,741	698,770	58.04%	41.96%	-11%	-6%	1,763,429	1,653,517	7,190	1.158	1.270
Nome	3,794,923	2,369,417	61.56%	38.44%	7%	4%	6,495,287	6,754,896	7,464	1.203	1.319
North Slope	21,098,634	17,888,565	54.12%	45.88%	-6%	-3%	20,909,312	20,226,090	6,514	1.372	1.504
Northwest Arctic	10,356,348	10,363,407	49.98%	50.02%	-11%	-5%	23,682,198	22,409,884	8,768	1.413	1.549
Pelican	380,820	299,649	55.96%	44.04%	-30%	-17%	592,732	494,443	7,301	1.176	1.290
Petersburg	3,425,293	1,616,758	67.93%	32.07%	11%	8%	4,970,166	5,347,069	5,521	0.890	1.000
Phidol	1,539,483	1,081,003	58.75%	41.25%	-17%	-10%	2,850,264	2,970,572	8,028	1.294	1.419
Sitka	8,606,580	2,544,389	77.18%	22.82%	15%	11%	11,269,223	12,537,815	5,539	0.892	1.000
Skagway	747,741	671,033	52.70%	47.30%	-14%	-8%	1,358,595	1,254,749	6,469	1.042	1.143
Southeast Island	2,549,919	1,632,824	60.96%	39.04%	-16%	-9%	5,011,616	4,534,283	6,361	1.025	1.124
Southwest	4,919,667	3,750,921	56.69%	43.31%	-15%	-9%	8,514,514	7,778,260	8,054	1.298	1.423
St. Mary's	649,891	816,306	51.33%	48.67%	-6%	-3%	1,666,849	1,614,686	7,649	1.232	1.351
Tanana	637,915	923,540	40.85%	59.15%	-19%	-8%	1,350,931	1,244,102	8,464	1.364	1.498
Unalaska	2,052,786	1,331,089	60.66%	39.34%	7%	5%	3,293,769	3,442,400	7,047	1.135	1.245
Valdez	5,287,028	2,108,415	71.51%	28.49%	8%	6%	6,439,614	6,804,262	6,200	0.999	1.095
Wrangell	2,849,203	1,125,919	71.68%	28.32%	14%	10%	3,775,921	4,164,320	5,502	0.886	1.000
Yakutat	1,131,519	819,036	58.01%	41.99%	10%	6%	1,751,470	1,855,438	5,920	0.954	1.046
Yukon Flats	3,631,140	2,969,949	55.01%	44.99%	-23%	-13%	8,018,875	7,007,807	9,441	1.521	1.658
Yukon Koyukuk	4,739,539	3,986,450	54.32%	45.68%	-20%	-11%	9,845,205	8,788,317	8,502	1.370	1.502
Yupik	2,739,526	2,621,026	51.11%	48.89%	-6%	-3%	5,345,064	5,168,860	8,313	1.339	1.469

**Notes to Columns:**

- (1) and (2): from 1996 School District Financial Reports.
- (5): from Table 2.1, *Alaska School Operating Cost Study*.
- (6): Because no district-level expenditure limits are imposed, the weighted impact is column (3) times column (5).
- (7): Current Basic Need is determined by applying the existing size formula and ACDs to student counts in each district.
- (8): Revised Basic Need is column (6) times column (7).
- (9): Per student Basic Need is determined by dividing column (8) by the size-adjusted student count in each district.

"school level" category remained separate. FY96 school-level and district-level expenditures are shown in columns 1 and 2 of Table 1.

2. **Determine the proportion of each district's spending in each of the two categories.** This step simply describes school-level and district-level expenditures in percentage terms. (See columns 3 and 4 of Table 1.)
3. **Determine weighted changes in Basic Need for each district.** Applying the existing size formula and ACDs in existing legislation to each district's student population produces a level of Basic Need that serves as a basis for comparison. This step uses the "Combined Impact of Count and Size Revisions" numbers from Table 2.1 in the January 31 report to determine weighted changes from "current" Basic Need.<sup>1</sup> The weighted changes are obtained by
  - 1) multiplying the proportion of school level costs for each district by the impact of revised counting method and size factors as shown in column 5 of Table 1,
  - 2) multiplying the proportion of district level costs by the impact of any adjustments to district level costs,<sup>2</sup> then
  - 3) summing the two parts to obtain a total impact (shown in column 6).
4. **Determine revised Basic Need (column 8) by adjusting "current" Basic Need (column 7) per the number (column 6) determined in the prior step.** Current Basic Need is the amount obtained by applying existing size factors and ACDs to the schools in the database. Revised Basic Need is obtained by increasing or reducing current Basic Need as indicated by the weighted change in column 6.
5. **Determine the per-student Basic Need for each district (column 9) by dividing Revised Basic Need (column 8) by the adjusted student count for each district.** The adjusted student counts are obtained by applying the

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<sup>1</sup> "Count revisions" refer to the method of counting students. Current law counts students in "Funding Communities" which are identical to single schools in some cases but which are groups of schools, rather than single schools, in other cases. The proposed size formula produces separate student counts for each school. "Size revisions" refer to the specific factors used to adjust the actual student count to compensate for higher per-student operating costs in smaller schools. Each of these impacts was computed in the January 31 report, as was the combined impact of the two changes to the existing "size conversion" formula.

<sup>2</sup> The January 31 report limited expenditures in some districts (as described in the report). Those limitations were omitted from the process of determining District Cost Factors per instructions from the Senators preparing legislation. The impact of omitting the expenditure limitations is that districts with relatively high per-student expenditures have higher DCFs than they would have if the limitations were applied. The expenditure limitations are also omitted from the DCFs described in this letter. Our understanding is that expenditure limitations may be addressed by other means.

size formula (Table II of the February 12 supplement) to the student counts for each school in each district.

6. Determine "multipliers" (column 10) by dividing each district's per-student Basic Need (column 9) by the statewide average per-student Basic Need (\$6,206, as shown in column 9). Four Southeast communities—Sitka, Ketchikan, Wrangell and Petersburg—had multipliers slightly lower than the multiplier for Anchorage. Multipliers for these communities were set equal to the Anchorage multiplier so that Anchorage could be used as a base in the normalization process described in the following step.
7. Normalize the multipliers to obtain District Cost Factors (column 11). Normalization refers to the process of dividing each district's multiplier by the smallest of the district multipliers so that the smallest District Cost Factor equals 1.000. The process does not change the results; it simply makes the DCFs easier to interpret because no DCF is less than 1.000.

As an example, 59% of Alaska Gateway's expenditures in FY96 were in the school-level category while 41% were in the district-level category (columns 3 and 4). The January 31 report showed that a *school-based* student count (as opposed to the existing *funding community-based* count) and the revised school size adjustment formula would reduce the district's adjusted student count (compared to the count obtained by applying the existing formula) by 16%. A 16% reduction applied to 59% of expenditures is equivalent to a 9% reduction of total expenditures (column 6). This 9% reduction applied to current Basic Need (column 7) gives a revised Basic Need level of \$6.1 million, or \$7,308 per adjusted student count (columns 8 and 9). This per-student Basic Need is 18% above the statewide average of \$6,206 (column 10). Dividing the 1.178 Alaska Gateway multiplier by the Anchorage multiplier (.912) produces a District Cost Factor of 1.291, as shown in column 11.

District Cost Factors are intended to be applied as follows:

1. Apply the size adjustment formula (Table II in the February 12 supplement) to each school to obtain size-adjusted student counts.
2. Sum the size-adjusted student counts within each district.
3. Multiply the district student counts by the appropriate District Cost Factor to obtain "size and location" adjusted student counts.
4. Multiply these adjusted student counts by the per-student value for Basic Need specified in statute to obtain total Basic Need for each district.

## Conceptual Issues

The district-level ACDs shown in Table V of the supplement are generally larger than District Cost Factors because ACDs apply only to district level costs (that is, district administration and nonpersonal services expenditures) but not to school level costs. Use of the ACDs presented in the supplement would require separation of state aid into two components and would produce two different adjustments of student counts (ADM). DCFs produce a single adjusted student count and eliminate the requirement to separate state aid into two components. Conversion from district-level ACDs discussed in the supplement to DCFs clearly simplifies the adjustment process, and does so without changing the Basic Need levels described in the February 12 supplement.

Although the DCFs may be applied in the same manner as existing ACDs, they are fundamentally different in principle. ACDs as existing law are based only on unit price differences (e.g., the cost of fuel in dollars per gallon) while DCFs are much more comprehensive and reflect *per-student* differences in district operating costs.

The DCFs reflect not only relative prices of goods in districts, but also the number of students, dispersion of schools, costs of travel and other factors that affect district operating costs. Because the DCF reflects factors other than prices of goods, neighboring districts will not necessarily have similar DCFs. As described in the January 31 report, existing ACDs appear to have undercompensated several rural districts for administrative and nonpersonal services costs.

Haines and Skagway can be used to illustrate the difference in concepts. The two school districts are close (geographically) and have roughly equivalent access via highway, air and water. They can be expected to have roughly equivalent prices and, therefore, similar ACDs. However, Skagway has fewer students over which to spread district operating costs. This means, for example, that if Skagway spends \$200,000 annually on salaries for district administration while Haines spends \$400,000, the per-student cost of administration in Skagway is roughly 1.7 times the per-student cost in Haines ( $\$200,000/131\text{students} = \$1,530$ , which is 1.7 times  $\$400,000/430\text{students} = \$930$ ). When higher per-student administrative costs are combined with other district costs, the result is a higher DCF in Skagway than in Haines.

Another issue is that the computation of Basic Need under the latest version of SB36 differs from the computation in the study. The study was strictly limited to the impacts of size and location on school operating costs. Any policy changes that affect the computation of Basic Need are beyond the scope of the study. Differences in computation of Basic Need include the way in which students in correspondence studies, categorical aid (special needs) programs, and in schools of fewer than 10 students are counted. These changes do not invalidate

the size formula presented in the study, but they do result in different student counts and levels of Basic Need than those computed in the supplement.

Because DCFs are influenced by the adjusted student counts in districts, the changes may raise questions concerning the validity of DCFs presented in this letter (and used in SB36). The DCFs are based on computations that did not anticipate changes in the computation of Basic Need. While it is certain that the DCFs would differ if recomputed with these changes incorporated, it is not clear that the DCFs *should* be recomputed. Our study recommended a transition period during which districts could adjust to revised funding levels. It also recommended recomputation of adjustment factors for district-level costs once funding had stabilized and improved data became available. We believe that DCFs based on current expenditure relationships are appropriate during a transition period.

In any event, our contractual responsibility to compute size and location adjustment factors does not include revising those factors in response to legislatively proposed policy changes. As discussed with the project manager during the course of the study, the Legislative Budget & Audit Committee's preferred method of presentation was separation of adjustment factors, providing the factors could be combined if requested. The February 12 supplement combined district-level adjustments; this letter presents the factors in a form in which no further combination is possible.



David Teal  
Senior Analyst/Project Manager

March 27, 1998

The Honorable Randy Phillips  
Chairman, Legislative Budget & Audit Committee  
State Capitol  
Juneau, AK 99801

Dear Senator Phillips:

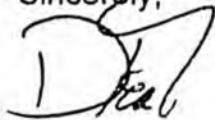
Enclosed are brief responses to the questions and comments we received on the *Alaska School Operating Cost Study* prepared for the Legislative Budget & Audit Committee (March 1998). The questions are generally thoughtful and raise issues we wrestled with during the course of the study.

As with any issue approaching the complexity of school funding, there are differences of opinion regarding data analysis and the conclusions that can be drawn from that analysis. Our rules of analysis were simple: be objective, fair and reasonable.

Although many of the comments challenge the research decisions made, none of the questions or comments gave sufficient cause to change our approach, principles or results.

Although individual responses are generally brief, I hope you find them sufficiently detailed to help you respond to similar questions as you discuss the issue with others.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Teal". The signature is stylized and cursive.

David Teal  
Project Manager

Enclosure

**Questions and Comments**  
Regarding the  
**Alaska School Operating Cost Study**  
Prepared by the McDowell Group

**Introduction**

The McDowell Group and the Legislative Budget and Audit Committee have received a number of questions about the *Alaska School Operating Cost Study* by parties interested in the school funding issue. The McDowell Group has prepared a list of these questions and our answers for parties interested in further clarification of points in the study. First, we include a brief summary of the study scope, historical perspective, findings and recommendations so that readers can see the questions and answers in context.

**Study Scope**

It is important for readers to understand that the study's focus was a technical research one – to identify the impact of school size and geographic location on the cost of operating schools in Alaska. The study identifies the *relative* cost among districts of operating schools. These relative differences are quantified in a school size factor (to compensate for efficiency differences between large and small schools) and Area Cost Differentials (to compensate for differences in costs due to geographic location and other factors).

The study scope did not include – and was not intended to include – major school funding policy issues that can, and do, have allocation impacts in excess of those of technical adjustments for size and location. Some major funding and allocation issues not included in the study are special programs (bilingual/bicultural, vocational education and special education), federal impact aid, local contributions, pupil transportation, capital costs and deferred maintenance.

Many of these important policy and allocation questions are addressed in legislation currently under consideration. The McDowell Group has no opinion on these policy issues that are beyond the scope of the study. The legislation does include the technical data for both the school size factor formula and the Area Cost Differentials (termed District Cost Factors, DCFs, in the legislation) as reported in study findings.

**Historical Perspective**

Prior to the *Alaska School Operating Cost Study*, cost allocations were based largely on household cost of living (*Alaska Geographic Differential Study*, 1985, and *Alaska School District Profiles and Differential Study*, 1988 both by the McDowell Group) and were not directly relevant to the cost of operating schools. However, in the absence of other research, data from these studies was used.

**Study Findings**

Clearly, some changes in relative costs were expected between two studies thirteen years apart and measuring two different things. The \$16 million (out of \$800 million, or 2% of the total) of changes among districts identified in the *Alaska School Operating Cost Study* were not surprising considering the historical basis for current funding allocations. Allocation shifts in addition to this amount would be due to legislative measures unrelated to the study.

The study found that administration and nonpersonal services costs were often higher on a per student basis in remote districts than the current system of allocation recognizes. The study recommends ACDs to compensate for these costs. By contrast, instructional cost variations among districts were very moderate and not consistent with other costs. The study takes this into account by including no instructional ACD. Instead, instructional staffing requirements are met through the school size factor that heavily compensates those districts with small schools lacking economies of scale.

### Study Recommendations

The study recommended:

- that a transition period to insure no district receives less than its current allocation;
- that basic need be calculated at the fundamental cost unit of school, rather than funding community (most of the \$16 million of change among districts is a result of this recommendation);
- that the study's school size factor formula and ACD's be used to update the method of allocation;
- that future updates develop data in the three major cost categories of instruction, administration and non-personal services; and,
- that improvements be made in the definition and quality of non-instructional data bases.

### Questions and Answers

*Questions/comments are in bold type. Page numbers refer to the March, 1998 final report.*

**...to state that rural districts are not having to pay a higher wage than Anchorage due to the fact that our average is equal (+5%) to Anchorage's is absolutely incorrect.**

In actual practice, some remote districts pay more and some pay less than Anchorage. Likewise, some urban districts pay more and some pay less than Anchorage. Remoteness alone did not appear to determine the actual cost of teachers. Factors such as local district compensation policy, housing availability and lifestyle play roles in teacher salaries and teacher recruitment and retention.

Please see discussions on pages 81-84 and 105-106. Points made include:

- Teacher salary *schedules* are frequently higher in rural areas than in Anchorage.
- *Average pay*, not the salary schedule itself, determines instructional costs.
- Higher schedules in some areas are generally offset by greater longevity in other areas, so that *average* salaries are similar throughout the state.
- Using average salaries to adjust funding levels would not affect Anchorage but would reduce aid to some rural districts and increase aid to several other rural districts.

Isn't the proposal an expenditure index rather than a cost index and aren't expenditures a function of revenue available under the current formula?

No. The District Cost Factors are based on district level expenditures so are essentially an expenditure index, but the majority of the proposal is based on instructional costs, which is not an expenditure index. Instructional costs are instead based on an adequate level of instructional staffing regardless of current funding levels in any district. If the entire proposal were an expenditure index, there would be no change from the existing formula.

The only school level data referenced in the report is the quantity of school building level certified staff. Is this a measure of consumption and local programming choice or of cost? What other school building level data was analyzed?

The level of certified staff reflects both choice and cost. Classified staff was also analyzed (see pages 66-67 and Table 2.4, page 68), but data are available only at the district level. In general, only the quantity of staff is measurable at the school level. Teacher salaries, operating and maintenance costs, administrative costs and most other costs are paid at the district level.

Does the statement "for the first time size factors have an empirical, statistically defensible basis" mean the resource cost model study had no empirical, statistically defensible basis? Were the resource cost model results reviewed?

No. The cost model results were not reviewed.

How does the unique profile of a given student population in a specific school affect cost or consumption? This report appears to ignore the single most important factor, which is individual student need.

The unique needs of a specific student population are addressed by categorical funding for bilingual, vocational and special education. As stated in footnote 23, page 67, staffing for those programs should not be expected to follow the pattern for regular education. As stated on page 28, the study was not intended to be a comprehensive review of all the philosophical and equity issues the legislature might address in considering revisions to the foundation formula. Our assumption was that categorical funding would be distributed in a manner similar to the existing allocation.

What is the basis for providing the same "front loading" or "floor" to very small schools and large schools alike?

See page 72. "Front loading" prevents discontinuities (or steps) in the size conversion formula. It is equivalent to moving along the size curve rather than going directly from the origin to a point on the curve. If front loading did not occur, some schools would have lower adjusted student counts than other schools with fewer students. As implied by the question, front loading "overcompensates" schools with more than about 75 students. This could be corrected by reducing the size adjustment factors for larger schools, thus reducing the slope of the curve developed in figures 2.4 through 2.8 (pages 73-77).

The "floor" that applies to schools of fewer than 20 students is a separate issue. It does not directly affect schools larger than 20 students, but it does allocate additional aid to schools of fewer than 20 students.

The study team considers dispersion of schools to be an important determinant of administrative and nonpersonal services costs, but concluded that dispersion has a negligible effect on instruction costs. How can this be true? Does it cost the same to provide sophomore chemistry to 90 students in one building as it does to provide the same course to 90 sophomores dispersed over 56,000 square miles in ten different schools within a district?

Dispersion is compensated for in the size factor formula where ninety dispersed students receive significantly more funding than ninety students in one building. Dispersion is further compensated for in the ACD by compensating for any administration and non-personal services costs related to serving dispersed students.

Instructional staff are typically associated with a particular school, so that the distance to other schools in the district does not have a great impact on the number of teachers required in a particular school. The cost of providing a class to 90 students in one school is *not* assumed to be the same as to 90 students in ten schools. Each student in a school with 90 sophomores is likely to be counted as about 1.2 adjusted students while each student in a school with 9 sophomores is likely to be counted as about 1.5 students. (See Appendix B for school sizes of 360 students—90 sophomores in a 9-12 school—and 120 students—9 sophomores in a k-12 school).

The small school gets 25 percent more funding (the change from 1.2 to 1.5) than the larger school to offer chemistry—or any other class. That is, the *size formula* compensates for higher costs in small schools, regardless of whether the school is 20 miles or 200 miles from another school.

Is the application of the size formula to isolated, dispersed individual schools disadvantageous since they cannot take advantage of the economies of scale that exist for schools located close to each other where they can take advantage of shared resources, facilities, and staff?

No, see the immediately preceding question/response for a discussion of compensation for diseconomies of small size. In addition, shared resources generally fall under district-level costs rather than instructional-level costs. The *District Factors* compensate districts for costs associated with location and dispersion.

The study does not take into account the large number of top-end-of-the-salary-scale teachers who have retired from the larger urban districts in the past two years.

Correct, see page 106. Recommended instructional cost allocation is based on adequate staffing rather than dollars, keeping the influence of existing funding levels out of the picture and insuring staffing equity among districts. Average salaries depend on longevity, which varies from year to year. Variable factors should not be built into multipliers because fixed multipliers do not respond to changes. This issue is the basis for reviewing staffing numbers rather than staffing costs to determine size factors, and for recommending that location and other cost factors be modified more frequently than in the past.

Why can't rural districts find experienced teachers to hire? The study contends that salary schedules do not need to be higher in rural areas. With only \$1,000 unit value increase since 1986, rural districts are losing the ability to compete for quality educators.

See the first question/response on this list. We contend that urban longevity offsets higher rural salary schedules, not that *schedules* do not need to be higher in rural areas. The unit value applies to all districts so does not affect the ability of one district to compete with

others for quality educators. This does not deny that some districts may have recruitment and retention problems for a variety of reasons.

Anecdotal evidence may suggest that some teachers prefer to teach in larger communities, but cannot necessarily obtain jobs in those communities without experience. Smaller, more remote districts offer teachers an opportunity to gain the experience required to obtain a job in urban districts. In addition, a young teacher may relish the adventure of life in rural Alaska, but as he/she ages, there may be a desire for a lifestyle shift. The shift from rural to urban work preference is similar to a preference for retirement to the Sunbelt. While not everyone shares the preference, there is a measurable trend. On the other hand, many small district teachers prefer these locations and choose long careers serving students in Alaska's smaller communities.

The ability of rural districts to compete for teachers depends to some degree on salary schedules in urban areas. If urban areas adopt tiered schedules for new hires and limit the amount of out-of-district experience used to determine placement on the schedule (as is happening in some cases), rural districts will find it easier to attract and retain teachers.

The study does not recognize the significant level of indirect funding for children in urban areas which is not available to rural students. Examples include museums, libraries, performances and other enriching activities/facilities.

Again, the study is confined to the cost of operating schools based on size and location and was not intended to measure community quality of life. These activities and opportunities undoubtedly enhance the quality of education, but providing money to rural school districts will not provide the children with urban amenities. The study does not attempt to measure the quality of educational services or equalize quality. It measures only the instructional staff and district costs required to provide a basic education.

By relying on only one year of data, the study may be skewed and not be reflective of the average costs of providing education over the long term.

We used the most recent data available. There is no reason to believe that 1996 data favors any particular district or districts. We recommend frequent recalculation of adjustment factors so that allocations do reflect the costs of providing education.

Because the adjustment factors for location were determined by actual spending, it put REAAs at a disadvantage when compared to districts that may have provided funding beyond the state cap. The REAAs have no way to provide for additional funding the way borough and city districts do. The study locks this inequity into any future formula.

The Area Cost Differential adjustment factors were based on total expenditures by the districts. City districts can get "extra" funds from local governments, but whether people in one area contribute to education does not affect the computation or equity of Basic Need or state aid allocations because extra funds are not included in the funding formula. It is the lack of organized local government, not the study, that "locks in" the situation.

From alternate perspectives, use of total expenditures locks cities into continued contributions, or organization of an REAA would allow access to additional funds. The study doesn't change the current situation and doesn't appear to cause inequities associated with excess local contributions.

The study analyzes expenses and not the actual cost of providing education. Those less-than-frugal districts are rewarded for their past expenditures. Those who were prudent are penalized.

This is not the case with the majority of the cost of operating schools – instructional costs. Our study recommends appropriate staffing levels for instruction so districts that districts that pay more are not rewarded at the expense of districts that are more frugal.

The study suggested expenditure limits to “cut off the peaks” and “fill in the valleys” of district expenditures (see Chapters 3 and 4). However, we believe the inconsistent definition of available data is insufficient to apply the limits (and they were not applied to the Area Cost Differentials in the final report). The lack of limits *does* perpetuate “what is” rather than recommend what “should be” for non-instructional costs.

While there is some truth in the comment, the real issue is that districts spend whatever money is available. This means that revenue is the controlling factor in district expenditures. It also means that size and location adjustments, which provide more revenue per student to small and high-cost districts, are critical to this discussion. The point is then to determine whether size and location adjustments equalize Basic Need. We found that current factors did not accomplish this goal and recommended new factors.

**Is there incentive for districts to build schools of less-than-efficient size in order to increase student counts? What will the long-term cost of this incentive be?**

Not really. Small schools cost more so any additional funding is eaten up by higher costs. See page 58. There are controls in place that should prevent *building* schools that are smaller than necessary, but there is some concern about artificial separation of schools. For example, a grade 7-12 school could be split into junior and senior high schools with little additional expense to the community (no new building) but potential to generate higher adjusted student counts. As noted in footnote 20 (page 58) school-based counting offers improvements over funding communities only if the Department of Education establishes and enforces consistent and equitable rules for defining schools. If the Department can do this well, there would be no long-term cost.

**Large portions of school district budgets were omitted from the cost comparison. The cost differentials will need to be revised in the near future.**

Not true. No costs were omitted in our work. The alleged “omitted cost” reference is to staff salaries. Our approach was to equalize the number of staff per student, then adjust for differences in pay as required. We concluded that no salary adjustment was required. Holding salaries constant is far different than omitting them from the analysis. A review of Technical Appendix F will show that all costs were considered in the analysis, including professional services and purchased services.

We believe the cost differentials could be improved substantially. In fact, we felt the issue was important enough to include a recommendation for improved data and improved computation of the differentials (see executive summary, page 33).

**A fundamental principle of cost indexes has been violated by failing to hold teacher quality (or quality of educational services) constant. The authors should have defined a standard staffing pattern and then priced this pattern at each district’s pay scale.**

Not true. In fact, the opposite is the case. Our instructional cost component is based on equal staffing levels. Each district's pay scale is a separate issue. Our recommendation of no salary differential means higher spending districts aren't taking from more frugal districts.

We cannot define or measure either teacher quality or quality of educational services. Pay scales reflect longevity rather than quality. Our approach was to examine school operating costs, including actual pay of staff, and to compensate districts for actual costs rather than costs based on a hypothetical pattern of longevity. The pattern of actual staffing is that longevity is greater in urban areas than in rural areas, but not by much. Applying a hypothetical staffing pattern that overstates average costs in some districts would overstate Basic Need in those districts.

Limits on district expenditures are arbitrary.

There are no limits in the final report. See page 33 and Chapters 3 and 4. Current data does not allow a high level of confidence in the expenditure limits. The expenditure limits were removed from the supplementary analysis and from the District Cost Factors shown in Table VII (page 18).

Instructional cost differences are unnecessarily arbitrary. The authors should have compared their estimates to those found in the existing literature.

The legislature may wish to base its appropriation for education on studies of optimum class size and other measures of educational need. The study reviewed actual class sizes in Alaska schools but did not compare them to class sizes in other states. The intent of this study was to derive revised *allocation* factors, not to determine an appropriate *level* of basic need.

The discussion of class size appears to be wholly arbitrary. Cite the current class size formula in current law. Do class sizes generally reflect the formula?

Our instructional staffing recommendations are based on statistical analysis of staffing patterns in nearly 500 Alaska schools, and supported by a team of school experts. We do not consider this arbitrary.

See page 50. The citation provided in the text is AS 14.17.041. Class sizes generally reflect the formula cited. Revised class size factors reflect all schools, as shown in Appendices A and B and discussed in Chapter 2. The particular size categories are not critical as long as the formula produces a smooth curve (see discussion on pages 69-78).

Has the consultant visited schools to determine if districts with low ability to provide local funding are overfunded?

No site visits were conducted as part of this study. Factors cited in a statement accompanying the question—local income, property values, student progress/test scores and local authority to tax—were not considered because the report is limited to discussion of basic need. Basic need is determined by student counts and by adjustments for size and cost differentials. The report examined resources per student and found that districts with more than one school lumped into single funding communities were relatively underfunded. This finding does not imply that any district is overfunded in an absolute sense, and implies a shift of money from some districts to others only if the recommended "hold harmless" provisions are not adopted (see pages 36-40).

**Does recommending the school as a basis for funding indicate a belief that dispersed schools can share staff and resources as efficiently as schools in proximity?**

No. The instructional component reflects only staff associated with instruction. Costs of travel and other factors that make dispersed schools more expensive to operate are reflected in higher district operating costs, which are reflected in significantly higher cost differentials in many districts.

**Is it the consultant's belief that 500-student elementary, middle and high schools should operate on equal amounts of money as a single 1,500-student k-12 school?**

No, see page 59. Because districts are not required to spend money in the school that generates funding, an average funding level can be spread among schools as the district wishes. As long as the mix of students in various grade levels is similar in all districts, the grade level of a particular school does not bias the level of funding a district receives.

The methodology funds all schools of a given size at the same level (before size and cost adjustments). Although the example of a 1,500 student k-12 school (or even a 500 student k-12 school) is not realistic, the points made by the comment are important. One point is that a group of students broken into several schools will generate more funding than a combined school. Size factors are intended (in part) to offset costs of school administration, but they may favor smaller schools to the point that districts have incentive to artificially divide *existing* schools. As noted in the report (page 58), the Department of Education will need to define schools and monitor that definition.

The second point is that elementary and high schools typically differ in both class size and in teacher preparation time. The current formula specifies a unit (or class) size of 17 students in elementary schools and 13 in middle and high schools, but only when the student count is greater than 525. This split applies to few rural schools and has little, if any, impact on district funding when it does apply. Our brief review showed that the increased cost of more prep time in higher grades appears to be offset by larger class size in those grades. The topic is interesting, but was not addressed in detail because it involves multi-age classes and other local choices. Investigation of local instructional methods would have taken substantially more time than was available for research.

**Is it the consultant's position that a 500-student k-12 rural school has the same costs as a 500-student urban 7-8 school?**

No. Although the school is the basic unit of funding, a broader view is required to see the real picture of district funding. A k-12 school of 500 students has 38.5 students per grade, while the urban district in the example has 250 students per grade (6.5 times the rural size). The size formula produces an adjusted size of 564 students for the rural district and 3,489 students for the urban district (assuming three elementary schools of 583 students and a high school of 1,000 students, for a total of 3,250 students, 250 in each of 13 grades). The size adjustment gives an urban adjusted student count 6.2 times the rural adjusted count. The change from 6.2 to 6.5 is 5 percent, so the rural district receives 5 percent more money per student than the urban district.

A per-student calculation shows the difference with the rural school receiving more. If each adjusted student generates \$5,000, the urban district gets  $\$5,000 \times 3,489$  students, or \$17.45 million, or \$5,369 per actual student. The rural district gets  $\$5,000 \times 564$  students, or \$2.82 million, or \$5,640 per actual student. This is 5 percent more than the urban district. District level costs would further favor the rural district.

What theory of equity supports an equity determination on the basis of dollars per student? Isn't the purpose of equity funding systems to create variances in order to accommodate for needed adjustments based on identified difference factors?

This is the reason for the study. See page 44. "Disparity in per-student allocations is intended to compensate for differences in the cost of operating schools—and school districts—of various size and location in Alaska, thus making the formula more equitable than one which allocates money in precise proportion to the number of students. It is important to understand that variation in the amount of aid received per student does not necessarily imply inequity. *Size and location adjustments are included in the formula specifically to create disparity in order to compensate for relative differences in school operating costs.*" [Emphasis added.]

How were the adjusted student counts in Table 3 derived? Is it the consultant's position that lower standard deviation and spread prove it is more equitable than current law?

Adjusted student counts for each funding community—and the formula for conversion—are shown in Appendix C. The comment/question appears to confuse disparity and equity. The terms are clearly different, as discussed in the immediately preceding response.

Does the consultant know that under either current law or the statistical approach in Table 3 the funding equity is the same when tested against unadjusted dollars?

Yes, but it is disparity that is the same, not necessarily equity.

Were market baskets developed for each school size category? If not, what justification does the consultant have for interval weights and the incremental multipliers associated with each category?

The school size categories cover *instructional*, or *school level* costs and the "market basket" reflects school staffing patterns. The weights are based on actual staffing levels in schools, as described in Chapter 2. The market basket analysis produced multipliers based on *district level costs*, as discussed in Chapters 3 and 4.

Was the actual percent of each district's expenditures applied in arriving at NPS and administrative costs, or was every district forced into the statewide average?

Each district's actual expenditure proportions were applied. No statewide average was used. See pages 85 and 97.

The consultant seems to think that school funding levels should be established by the legislature before applying a distribution formula, rather than first determining the funding levels needed to provide an adequate education for Alaska's children. Is this true?

The report has nothing to do with determination of need in a philosophical sense. The intent of the report was to develop new size and location adjustment factors to compensate for *relative* differences between districts, not to determine the level of education funding in total or for any district. The *LN* defines Basic Need as a level of funding. The report can be used to distribute any level of funding to districts, but the consultant was instructed to leave the level of funding—that is, the determination of Basic Need—in the legislative arena. The pool of money for education is determined politically and by state revenue. Our work provides a basis for allocation the pool.

Are the ACDs in Table 3—ranging from .925 to 1.706—substitutes for the current differentials? On what basis did the consultant arrive at the differentials? Did the consultant decide not to use this approach because it would put more weight into rural districts?

They are used but in the final report they are normalized - .925 to 1.706 is statistically identical to the 1.0 to 1.74 in the final report. See pages 16-20. Location differentials were broken into several components in the January report, combined into a factor that applied only to district level costs in the supplemental summary, then further simplified to apply in the same manner as existing ACDs. The numbers mentioned in the question are "unnormalized" differentials. The range of normalized differentials is 1.0 to 1.74, with most rural districts having a higher differential than under current law. In the process of simplifying the application of the differentials, expenditure limitations were dropped. This increased the differential in several rural districts (compared to the differentials in the January draft).

The school size formula gives some weight above enrollment to students in schools of up to 1,022 students. Does this mean that the consultant does not believe that there is an elementary school in the State of Alaska that is economically efficient or was this done to assure additional weights in larger urban districts?

The answers are no and no. The size factors show that efficiency increases as size increases. They don't mean that efficiency stops at some point. The size conversion table, graphs and accompanying text in Chapter 2 and technical Appendix B show that smaller schools always have greater size adjustment factors than larger schools. The size conversion is independent of location, so there is no urban bias involved. In fact, literature on the subject suggests that adjustments for size should be avoided because they perpetuate inefficiency. Under this framework, the inclusion of size adjustments can be interpreted as rural bias. Elementary schools appear to reach maximum efficiency at 400 to 600 students, but efficiency is a gentle curve rather than a cliff, so there is a gradual decline in size factors as schools increase in size.

The Supplemental Summary's approach to calculating entitlements—a 70 percent-30 percent split—seems to have resulted in a 20 percent change in the shifting of money among school districts. Is this more accurate than the original distribution or could it be that the consultant believes that it is more defensible because 30 percent is supposedly driven by actual expenditures?

No. The consultant makes no recommendation on any split. While the statewide average is about 70/30, this average is weighted by a handful of large districts with large efficient buildings. Most districts currently spend less than 70% of instruction and the range of splits is very wide, from about 50/50 to about 90/10. All of our calculations include each district's unique split. See pages 16-20.

There was no shifting of funds from one district to another as the differentials were simplified—other than the relatively minor shift (in favor of rural districts) due to the dropping of expenditure limits. No set of differentials is more or less defensible than another; each is derived by the same method and all computations involving differentials were driven by actual expenditures. The differentials became smaller as they applied to increasing portions of district expenditures, but the smaller numbers offer only greater simplicity, not greater accuracy.

Now that nonpersonal services have been removed from the school calculations without changing the formula, is it safe to assume that the certificated staff served as a proxy for the NPS costs as well as the noncertificated personnel? Are these not proxies that determine considerably more of the Basic Need distribution than the about 8 percent of Basic Need distribution the current area differentials determine?

Not true. Nonpersonal services costs were not removed from the calculations, the costs were simply combined with other district level costs. Certificated staff costs do not serve as a proxy for NPS or administrative costs. Actual NPS and administrative costs determine the differentials. See pages 16-20.

If the average NPS plus administrative costs were \$1,056 in FY96, how do you explain no district level ACD of less than 1.0?

See page 17. Unadjusted multipliers may be less than 1.0. The district cost factors are normalized multipliers, meaning that each unadjusted multiplier is divided by the lowest multiplier so that the lowest district cost factor is 1.0. This process increases each district cost factor (see Table VII, page 18).

Since the actual district level costs amount to about \$38-\$75 million less than the 30 percent of Basic Need, why is this amount distributed? Could it be that this is one of the areas that the larger urban districts get most of their increases?

See page 104. The 30 percent figure is the statewide average for district level costs. It is used only to determine the amount to be distributed by the district level cost formula, but not to determine the allocation of that amount among districts. If the entire amount were not distributed, rural districts would lose more than urban districts because rural districts tend to have higher cost differentials, so get a disproportionately large share of district level costs.

When we take Alaska Gateway's two weights and multiply them by their respective percentages (70 percent and 30 percent) and multiply that by a per-student allocation we get large differences from the amount shown. How do you explain the large differences?

See pages 16-20. The statewide percentages (70 and 30) are not relevant to this discussion. As the example on page 17 shows, Alaska Gateway's expenditures are 59 and 41 percent, respectively, at the school level and district level.

Why does Skagway receive less per student than Galena and St. Mary's (two similarly sized school districts)?

See Table VII, page 18. The two districts receive 18 percent more basic need per student than Skagway because the District Cost Factors (which adjust for differences in costs between districts) are 18 percent higher than Skagway's DCF.

Why do some districts fare so much better than others?

We cannot respond fully to questions regarding *state aid* because state aid depends on factors (primarily local contributions, federal impact aid and categorical funding) that adjust basic need. These adjustments to basic need were not addressed in our report.

The following example uses Ketchikan and Matanuska as specific examples, but any district's outcome can be analyzed by considering the following points.

### *Funding Communities versus Schools as the Basic Funding Unit*

Technical Appendix B shows the size of each school in Alaska. Matanuska has 15 funding communities and 12,024 students, for an average of 800 students per funding community, while Ketchikan has one funding community for its 2,850 students. Because the "size adjustment" formula (Table 2.2, page 63) rewards small funding communities with additional funding, Matanuska benefits by having many funding communities with fewer students in each.

Under the proposed formula, each of the 28 schools in Matanuska and eight schools in Ketchikan are on equal footing. However, Matanuska's students are split into twice as many basic funding units as under current law (28 schools vs. 15 funding communities) while Ketchikan's students are split into eight times as many funding units (eight schools vs. one funding community) as under current law.

Columns 2-6 of Table 2.1 (page 60) show that the adjusted student count increases for both districts under the proposal (Ketchikan from 2,564 to 3,104 and Matanuska from 11,530 to 12,570). Matanuska gains far less (in percentage terms) than Ketchikan because Matanuska already has several funding communities that contain a single school. Many other districts gain adjusted student counts as well; the important point is each district's share of the statewide adjusted student count.

Columns 4 and 6 of Table 2.1 show that Matanuska's share of the statewide adjusted student count falls while Ketchikan's share increases. Column 7 shows that Matanuska loses three percent of Basic Need due to a change from "funding community" to "school" as the basic funding unit while Ketchikan gains eight percent.

#### *Size Factors*

Size factors reflect the formula for converting actual student counts to the adjusted student counts upon which compensation is based (Table 2.2, page 63). The formula favors smaller schools. Technical Appendix B shows the impact of the size formula on each school and district. Matanuska has schools in which each student is counted as 3.05 students (Beryozava school's 13 students) and schools in which students are counted as .99 adjusted students (Colc. school's 1,069 students). The district average is 1.12.

Ketchikan has smaller schools in general, and that translates to higher adjusted student counts. The average student in Ketchikan is counted as 1.18 adjusted students.

This comparison offers only a partial explanation of differences in Basic Need. Table 2.1 shows the impact of the size formula compared to calculations of Basic Need under current law. Matanuska gains two percent while Ketchikan gains three percent (see column 10) compared to the current size formula.

The combined impact of the change to school-based student counts and the revised size formula is that Ketchikan's Basic Need increases by 11 percent while Matanuska's declines by one percent.

#### *Location Adjustment*

Table VII, page 18, shows the District Cost Factors (DCF) for each district. These factors compensate for differences in the costs of administration, travel, and other district level

factors that affect the cost of operating districts and schools within districts. Discussions of cost appear in Chapters 3 and 4, and cost data is in Technical Appendix F.

Column 11 of Table VII shows that Ketchikan gets no additional money (a DCF of 1.00 times the adjusted student count gives no increase in the student count) while Matanuska gets a one percent "kicker" to compensate for higher district operating costs. Neither district receives a location adjustment under current law.

### *Classified Staff*

Another potential cause of shifting allocations is shown in Table 2.4 (page 68). The study allocates classified staff in proportion to certified staff as discussed on pages 66 and 67. Some districts now have one classified staff for each 10 (or fewer) students while other have one classified staff for 30 (or more) students). Districts with high student-to-staff ratios tend to have Basic Need increased under the revised formula. Both Ketchikan and Matanuska have relatively high ratios and gain under a redistribution of Basic Need.

### *Other Factors*

The report reviewed only size and location adjustments, both of which were discussed above. However, several other factors affect the amount of state aid districts receive.

- The calculations of Basic Need in the report are based on 1996 data. Current data could change the results slightly.
- Basic Need is reduced by required local contributions and by a portion of federal impact aid in order to determine State aid. Property values and the amount of (and adjustments to) impact aid can affect state aid. Because both districts in this example are "city" districts, changes to federal impact aid should have no significant impact on either district. Matanuska has shown higher growth than Ketchikan, which may mean higher total property valuation, especially given the closure of the Ketchikan pulp mill.
- Pending legislation changes categorical funding from district-specific calculations to a flat 20 percent addition to Basic Need. This does not affect Matanuska significantly, but it increases state aid to Ketchikan by about four percent, because relatively little of its Ketchikan's total aid is due to funding for bilingual, vocational or special education programs.

4/1/98

Hess Committee  
Fax 465-3871

Senate Bill 36 -

I don't think 3% Education tax is fair. If your going to do a Education tax it should be state wide. Its hard enough For Rural <sup>→ communities</sup> to get jobs. All kids should have a Right to education, For one thing NOT ALL PARENT CAN home school ect. If the State sale land in rural area these children have the right to a fair education. The small school suffer the way it is. Where large school don't, they have nice gyms, sports actives and more class and ~~thidit~~ things to do.

I think Senate Bill 36 should be vetoed.

Barbara Huffman

PO Box 113

Klawock, AK  
99925**City of Klawock  
Alaska***"Site of the first cannery in Alaska"*

Phone: (907)755-2261

Fax: (907)755-2403

**FACSIMILE TRANSMISSION****1 PAGES FOLLOW**  
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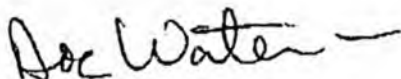
Date: April 1, 1998

TO: HESS Committee  
465-3871From: Doc Waterman  
Administrator  
Phone: 907-755-2261  
Fax: 907-755-2403

MESSAGE: Following is a copy of City of Klawock Resolution 98-12, against the passage of CS SB 36, or any similar bill.

The City of Klawock opposes CS SB 36, or any school funding formula which reduces funding for the Klawock School District. To enact a funding formula which takes money away from small rural districts with limited means of maintaining programs while giving additional funding to the largest districts, which have more resources to draw from, is to deny rural children what opportunity they presently have to get an adequate education. I cannot see any kind of equity in this approach. Please oppose this ill-considered attempt to rob our children of their future.

Sincerely,



**City of Klawock, Alaska  
Resolution 98-12**

**A RESOLUTION OPPOSING ANY SCHOOL FUNDING FORMULA WHICH RESULTS IN A DECREASE IN FUNDING FOR THE KLAWOCK CITY SCHOOL DISTRICT.**

**Whereas,** the school funding formula of the State has not provided for increases in the costs of operating school districts in recent years, and

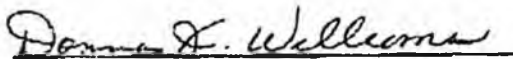
**Whereas,** the Klawock City School District has suffered reductions in funding from the Forestry Receipts program in each of the last two years, with an especially large reduction in Fiscal Year 98, and

**Whereas,** there has been an increase in the costs of operating the Klawock City School District as a result of inflation and other causes, and

**Whereas,** the cumulative impact of these effects has placed an undue burden upon the administration and staff of Klawock City School District and increased the difficulty of providing a sound education for the youth of the City,

**Now, therefore, be it resolved** that the City Council of the City of Klawock opposes any school funding formula which results in reduced funding for the Klawock City School District.

Passed and approved by the City Council of the City of Klawock this 17th day of March, 1998.

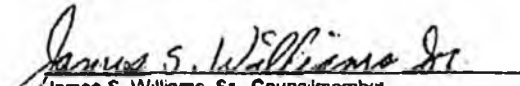
  
Donna J. Williams, Mayor

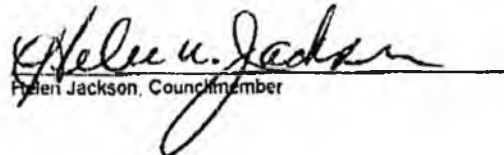
Absent  
Henretta J. Kato, Councilmember

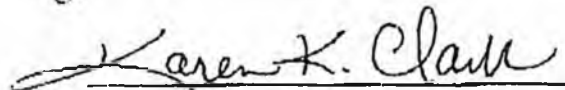
Absent  
Raymond Demmert, Councilmember

  
Don Nickerson, Jr., Councilmember

  
Joyce W. Schumann, Councilmember

  
James S. Williams, Sr., Councilmember

  
Helen Jackson, Councilmember

  
ATTEST. Karen K. Clark, City Clerk

# Alaska State Legislature

Please enter into the record my testimony to the HES

committee on SB 316 (committee name) dated 4-1-98

bill/subject:

Please pass SB 316, Please Further Work  
 on more funding for All education  
 so Alaska can be a great Education  
 option for our children. But something  
 has to happen now to begin the  
 process. Thank you for finally  
 addressing this problem.

Signed:

Lesia Rezencak

Phone: 225-3237

Testifier

Parent

Representing (Optional)

Box 10101 Ketchikan AK

Address

Fax transmitted from Ketchikan Legislative Information Office  
 Phone: 225-9675 Fax: 225-8546



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the HES  
 Committee on SENATE BILL NO. 36 Dated 4/1/98  
Committee Name  
Bill / Subject

EDUCATION OF THE CHILDREN OF ALASKA SHOULD BE THE FIRST PRIORITY OF ITS CITIZENS, ITS LEGISLATORS AND ITS GOVERNOR. TO PASS SB 36 WOULD AMOUNT TO AN ATTACK ON THE CHILDREN OF THE STATE. <sup>THE</sup> CLOSING OF RURAL SCHOOLS THAT WOULD SURELY ENSUE WOULD FOREVER ADVERSLEY AFFECT NOT ONLY THE STUDENTS OF THE SPECIFIC SCHOOLS BUT ALSO THE COMMUNITY AND THE STATE AS A WHOLE. IT IS OBVIOUS THAT MANY NATIVE COMMUNITIES WILL BE HIT THE HARDEST BY THE FUNDING CUTS, FORCING REMOVAL OF CHILDREN TO BOARDING SCHOOLS. THIS EFFECTIVLY WOULD SEVER THEM FROM THIER CULTURE & FAMILY GROUPS THAT ARE SO NEEDED, FOR THEM TO GROW INTO HEALTHY ADULTS. THIS BILL IS A BACKDOOR WAY OF IMPOSING TERMINATION & ASSIMILATION POLICY TO NATIVE ALASKANS. IT IS DEPLORABLE, AND MAKES ME ASHAMED TO BE ALASKAN. PLEASE VOTE NO.

SIGNED:

*Amy Galloway*  
 Testifier  
Amy Galloway

Representing  
BDX 56464 NORTH POLE AK 99705 488-1964  
 Address / Phone Number



# ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the House Hess Committee  
 Committee on SB36 / Public School Funds Dated 04-01-98  
Committee Name  
Bill / Subject

I believe that the shift of funds that will arise out of SB36 is inherently wrong. While the Federal government has learned the danger of forcing Alaska Native children to attend boarding schools, it seems that the State of Alaska wants to willfully make the same mistake. The bill also does not account for the fact that most of Alaska's revenue is derived from rural areas, which relegates the urban areas to little more than support centers for the real industry of Alaska. An apt analogy might be where I took the money out of your pocket, and then bemoaned the cost of educating your children.

SIGNED:

Donald R. Heard  
 \_\_\_\_\_  
 Testifier

myself

Representing

P.O. Box 73148, FPKS, AK 99707 479-8678  
 Address / Phone Number

RE:SENATE BILL 36

FROM: The heart of every rural mother

TITLE: THE AFTERMATH

Listen children, carefully,  
to what I have to say.  
The big people in government  
say you have to go away.

You'll cry no tears of loneliness  
to show that you are weak.  
You'll be strong and carry on,  
be proud, and willing, yet meek.

I am not sure how we will do  
in being so far apart.  
But remember we are with you  
in soul, in mind, in heart.

In answer to your questions, children,  
I simply do not know,  
who will help us hunt for moose  
in winters' bitter snows.

I do not know how you will learn  
your grandmothers basket weaving ways  
before her eyes no longer see  
and she passes away.

I cannot tell you why it is  
that this Bill, it came to be,  
that says we cannot school you here,  
where you can come home everyday to me.

If these lawmakers had God in their hearts,  
they'd have sang a different song.  
For a State united by all walks of life  
is a State that's true and strong.

So come on children, heads up high,  
let's have a family embrace.  
Hold each other tightly enough  
to last through the time you're away.

And don't look down upon those who  
have torn apart our family faith.  
They know not the error of their ways  
until it is too late.

3111 Briarcliff Dr.  
Anchorage, Alaska 99508  
March 31, 1998

Representative Con Bunde, Chair  
House HESS Committee

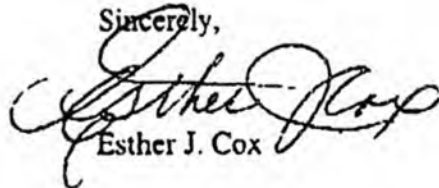
Dear Representative Bunde:

The rewrite of the School Foundation Formula is long overdue. Of course I see this necessity from the aspect of Anchorage, but the fact of the matter is that funding must be more equitably distributed throughout this state. I think that it is interesting that even though Anchorage has 40% of the students in the State of Alaska, the Anchorage School Board is not asking for an increase in funding to 40%. I believe that our Board is much more generous than I! Most certainly, Anchorage should have an increase in state funding based solely on the number of students enrolled in the Anchorage School District.

I firmly believe that the ASD should not be bonding for maintenance, but unless it has the increase in the foundation formula, it is impossible to maintain the quality program and maintain the physical plants. As you well know, the dollars only stretch so far.

Thank you for giving this your full attention.

Sincerely,



Esther J. Cox

**A Resolution of the Alaska Conference of Mayors and  
the Alaska Municipal League Board of Directors**

**URGING THE GOVERNOR AND LEGISLATURE TO REACH AN  
ACCEPTABLE COMPROMISE ON EDUCATION FUNDING THAT  
INCREASES OR PRESERVES EDUCATIONAL OPPORTUNITIES FOR  
ALL STUDENTS**

WHEREAS, the people of Alaska, specifically the students, need the **Governor and Legislature to achieve an acceptable plan for school funding**; and

WHEREAS, the AML/ACoM conducted a statewide education funding survey that received responses by municipal leaders representing over 80% of the population. **It gives clear guidance from the Alaskans who work with students and the public every day on the implementation and funding of education.** (This survey was distributed to all legislators and the administration); and

WHEREAS, over the past ten years, the state has not increased state per student funding to offset increased operating costs. While the state has increased funding for increased number of students and some special education programs, **the impact on local taxpayers has been an average doubling of local property taxes for schools**; and

WHEREAS, SB 36 actually proposes a significant decrease in per student (ADM) funding for some school districts; and

WHEREAS, this year, due to increases in Assessed Property Tax Values, the state mandated local taxpayer contribution to the state for education increased by \$9 million. Despite this windfall to the state paid by local taxpayers, local taxpayers will see no benefit from their \$9 million increased contribution unless the state increases the per student state allocation for schools; and

WHEREAS, the McDowell "Alaska School Operating Cost Study" recommends "a transition period to insure that no district receives less than its current allocation." SB 36 provides only a two-year transition in most districts and no transition for some.

NOW, THEREFORE BE IT RESOLVED, any changes in the education funding formula should:

1. Add \$18 million of funding to recognize the lack of inflation adjustment for the last eight years, for an estimated total appropriation for education of \$678 million.
2. Include an analysis of educational adequacy for all districts, with no district receiving less than their FY 98 funding for the first two years. Any funding adjustments resulting from this analysis should be accomplished over a five-year transition period.

3. Implement an annual funding adjustment process to offset necessary increases in the cost of educating children.
4. Accept the 20% average distribution for categorical funding proposed in SB 36 (while continuing to fund intensive needs separately) but add a waiver process to the state Board of Education for additional district funding based on statewide standards and documentation of need.
5. Include provisions that establish measurable goals and standards to ensure education excellence.
6. Encourage the Legislature, which is mandated by the Alaska Constitution to act as the Assembly for the Unorganized Borough, to consider the question of equitable taxation for schools in the Unorganized areas of the state. Designated as a borough by the Constitution, the Unorganized Borough should generally not be treated differently than any other borough on the question of taxation for schools.
7. Add a factor which equalizes school funding based upon local assessed valuation per pupil.



217 Second Street, Suite 200 ■ Juneau, Alaska 99801 ■ Tel (907)586-1325, Fax (907)-463-5480

## **State's Constitutional Mandate to Fund and Maintain Public Schools**

### **WHAT THE ALASKA CONSTITUTION SAYS:**

Article VII of the Alaska Constitution states:

“PUBLIC EDUCATION. The legislature shall by general law establish and maintain a system of public schools open to all children of the state, and may provide for other public educational institutions.”

### **WHAT THE ALASKA SUPREME COURT SAYS:**

In MacCauley V Hildebrand (1971) the Alaska Supreme Court states:

“The constitutional mandate for pervasive state authority in the field of education could not be more clear. First, the language is mandatory, not permissive. Second, the section not only requires that the legislature “establish” a school system, but also gives to that body the continuing obligation to “maintain” the system (\*6). Finally, the provision is unqualified: **no other unit of government shares responsibility or authority.**” (emphasis added)

(\*6) (footnote to opinion: ) The state supplies a minimum of 90% of school operating funds. AS 14.17.021 (e) (5).

(Note: In its 1/31/97 decision in Mat-Su Borough School District V State of Alaska, the Alaska Supreme Court referenced its statement in MacCauley V Hildebrand.)

### **Discussion**

Over the years, more and more of the state's constitutional mandate for statewide funding of education has been transferred to local governments and taxpayers.

To comply with the constitutional mandate, a school funding formula bill must:

- ❖ clearly define a reasonable “basic need” funding level for Alaska's schools that ensures adequate education opportunities throughout Alaska;
- ❖ provide a process for adjusting “basic need” funding periodically for reasonable cost increases; and
- ❖ clearly define minimum and maximum local funding tax contribution for schools.