

SB

1

GARY WILKEN

SENATOR
Districts 29 & 30
West Fairbanks

Senate Standing Committees

Member: Finance
Member: Health, Education, &
Social Services (HESS)
Member: Legislative Budget & Audit
Member: State Affairs



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Fairbanks, Alaska 99701
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SPONSOR STATEMENT

Senate Bill 1 Foundation Formula Increase

The State of Alaska's Public Education Funding Formula is based on a specific dollar amount per student. The base student allocation was established in 1998 (FY99) as \$3,940 per student and has not been increased since that time. Senate Bill 1 increases this allocation by \$145.00, increasing the per student dollar to \$4,085.

During the past 14 years, inflation has had an impact on public school funding and the purchasing power of the General Fund (GF) education dollars has slowly eroded over time. Although the State's contribution to the 53 school districts has increased 54% since FY88, the effect of annual inflation, as well as an increase in student enrollment has negated this growth, and indeed the purchasing power of the student dollar has been diminished.

The public school foundation program has lost 13.9% on a student dollar basis since FY88 due to the cumulative effect of annual inflation. Senate Bill 1 proposes to recoup this loss over a five-year time span. A 3.68% increase in the student dollar is recognized and the base student allocation in the public school funding formula is raised by \$144.99 or \$145.00. This amount was calculated as follows:

13.9%	Total loss of the per Student Dollar due to inflation since FY88

2.78%	This total loss divided by 5 for the suggestion of a 5-Year plan to restore the loss
+ .9%	Plus the inflation rate for FY01 in Anchorage, Alaska
3.68%	Total increase of the Student Dollar as proposed in SB 1

Supporters of a world class educational system for Alaska must agree that, while at the same time inflation is eroding the purchasing power of the student dollar,

**Sponsor Statement for Senate Bill 1
Foundation Formula Increase**

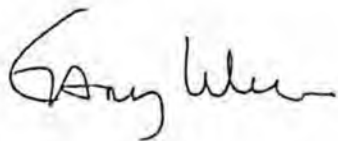
we Alaskans are asking our public schools to take on more and more responsibility in three general areas. First, many parents today regularly drop off their children at school early in the morning and pick them up after work. School personnel today provide not only classroom instruction for these students but also offer the emotional, social, and moral support needed before and after regular school hours at a level unheard of a generation or two ago. The increased time that a child spends at school naturally increases the responsibility of the local teachers and administrators.

Secondly, as performance standards and the corresponding assessments become a reality and are accepted as common place, each neighborhood school and classroom will be held more accountable for student learning. Children who need extra innovative instruction to master these standards will be identified and teachers will offer appropriate remedial learning opportunities. The added tutoring sessions necessary for some students may be offered within the regular school day or during a Saturday or summer school program. This added accountability is a step in the right direction, but it does have substantial impact on the financial resources of our local school districts.

Lastly, classroom teachers are on the frontline with our children and must be held accountable for their learning and performance. Alaska's young people deserve to be taught by the very best teachers possible. Alaska's school districts are faced with the responsibility of recruiting and retaining a highly qualified work force at a time when teachers are in short supply. This is not an easy task and, in some cases, the remoteness and isolation of an individual school make a difficult task even more difficult. The State has an obligation to provide adequate funding to all public school districts so that all school districts can hire and retain quality teachers.

Public education is faced with the unenviable position – greater responsibility with a reduction in the purchasing power of the student dollar. Alaska cannot continue to ask its 53 school districts to meet all these additional responsibilities with a dwindling budget, therefore additional funding is a necessity. The increase of \$145.00 per student as provided in Senate Bill 1 will assist our local school districts to meet, and hopefully exceed, the public's expectations and demands.

Please join me in endorsing Senate Bill 1.



Growth in the School Funding Formula

Comparison of Enrollment, Inflation, and Dollars

Fiscal Year	ADM ¹	ADM Inc.	Foundation Program ²	Foundation Increase	Per Student	Student Increase	Inflation Change ³	Per Student Inflation Adj.
FY88	101,142		\$437,438,400		\$4,325		0.4%	
FY89	101,442	0.3%	\$456,496,100	4.4%	\$4,500	4.0%	1.5%	\$4,342
FY90	104,035	2.6%	\$490,393,600	7.4%	\$4,714	4.7%	4.4%	\$4,533
FY91	108,168	4.0%	\$526,382,600	7.3%	\$4,866	3.2%	6.2%	\$4,814
FY92	113,348	4.8%	\$560,353,400	6.5%	\$4,944	1.6%	3.4%	\$4,978
FY93	116,652	2.9%	\$612,698,600	9.3%	\$5,252	6.2%	3.4%	\$5,147
FY94	119,673	2.6%	\$610,598,400	-0.3%	\$5,102	-2.9%	2.5%	\$5,276
FY95	120,752	0.9%	\$627,449,500	2.8%	\$5,196	1.8%	2.6%	\$5,413
FY96	122,897	1.8%	\$639,723,100	2.0%	\$5,205	0.2%	2.7%	\$5,559
FY97	124,545	1.3%	\$643,785,700	0.6%	\$5,169	-0.7%	2.3%	\$5,687
FY98	127,677	2.5%	\$652,353,800	1.3%	\$5,109	-1.2%	1.5%	\$5,773
FY99	129,968	1.8%	\$672,916,800	3.2%	\$5,178	1.3%	1.2%	\$5,842
FY00	129,948	0.0%	\$672,308,712	-0.1%	\$5,174	-0.1%	0.9%	\$5,894

Percent of Change FY88 to FY00:

ADM	28.5%
Foundation Program	53.7%
Dollar Per Student	19.6%

Summary of the Impact of Inflation:

Total Inflation FY88-FY00	33.0%
Loss of Per Student Dollar Due to Inflation	13.9%

1 ADM Totals do not include the Average Daily Membership for State ACS or Mt. Edgecumbe.

2 Foundation Program is the Actual Total Expenditures for the Foundation Program. It does not include State ACS or Mt. Edgecumbe. FY00 Foundation Program is the Authorized Amount.

3 Information as presented by the Department of Labor and Workforce Development (Mr. John Boucher.)

By: Karen Parr
 Eileen Cummings
 Bonnie Williams
 Torle Foote
 Nancy Webb
 Rick Solle
 Dave Veazey
 Jim Holm
 Guy Sattley
 Tim Beck
 Gary Hutchison

Introduced: 03/08/01
 Adopted: 03/08/01

RESOLUTION NO. 2001 -13

A RESOLUTION SUPPORTING SENATE BILL 1, AN ACT RELATING TO THE BASE STUDENT ALLOCATION USED IN THE FORMULA FOR STATE FUNDING OF PUBLIC EDUCATION.

WHEREAS, the State of Alaska's Public Education Funding Formula is based on a specific dollar amount per student; and

WHEREAS, the public school foundation program has lost 13.9% on a student dollar basis since FY88 due to the cumulative effect of annual inflation; and


WHEREAS, Senate Bill 1 proposes to recoup this loss over a five year time span increasing the per student allocation by \$145 and adding over \$30 million to help fund Alaska schools; and

WHEREAS, proposals to give schools a one-shot supplement for this year instead, do not solve the problem of stable, equitable funding for school districts.

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the Fairbanks North Star Borough fully supports Senate Bill 1 and recognizes that increased funding will assist school districts in meeting, and hopefully exceeding, the publics' expectations and demands for solid public education.

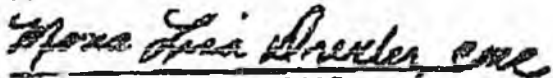
BE IT FURTHER RESOLVED that copies of this resolution be sent to the Alaska State Legislature and the Honorable Tony Knowles, Governor, State of Alaska.

PASSED AND APPROVED THIS 8th OF MARCH 2001.



 Karen H. Parr
 Presiding Officer

ATTEST:



 Mona Lisa Drexler, CMC
 Municipal Borough Clerk

Ayes: Williams, Webb, Foote, Sattley, Beck, Cummings, Hutchison, Holm, Solle, Veazey, Parr
 Noes: None

RESOLUTION NO. 2001-13
 Page 2 of 2

Introduced by: Manager Jensen
Requested by: Assembly
Drafted by: Manager Jensen
Introduced: 02/01/2001
Adopted: 02/01/2001

KODIAK ISLAND BOROUGH
RESOLUTION NO. 2001-03

**A RESOLUTION OF THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH
URGING THE TWENTY-SECOND ALASKA STATE LEGISLATURE TO INCREASE THE
EDUCATIONAL FORMULA FUNDING**

WHEREAS, Article VII Section 1 of the Constitution of the State of Alaska states that the legislature shall establish and maintain a system of public schools; and

WHEREAS, provisions of Alaska Statutes Title 14 address financing of public schools through distribution of funds to school districts in the state foundation formula which has not been adjusted to adequately keep pace with annual cost of living and inflation adjustments; and

WHEREAS, the Twenty-Second Alaska State legislature has two bills filed, Senate Bill 1 relating to an increase in the base student allocation and Senate Bill 42 requiring annual inflation adjustments to the State foundation formula. Both Bills properly address school funding and future financing of public schools;

NOW, THEREFORE, BE IT RESOLVED THAT THE KODIAK ISLAND BOROUGH ASSEMBLY unanimously urges the Twenty-Second legislature to adopt Senate Bill 1 and Senate Bill 42.

ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH
THIS FIRST DAY OF FEBRUARY, 2001



ATTEST:

Judith A. Nielsen
Judith A. Nielsen, CMC, Borough Clerk

KODIAK ISLAND BOROUGH

Robin Heinrichs
Robin Heinrichs, Borough Deputy Mayor

GARY WILKEN

SENATOR
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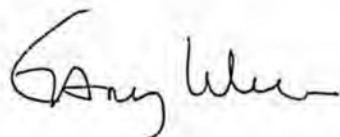
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By: Karen Parr
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Introduced: 03/08/01
 Adopted: 03/08/01

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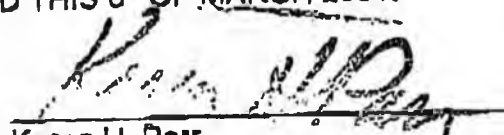
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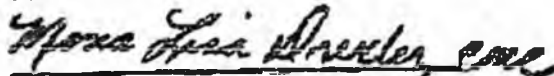
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 Karen H. Parr
 Presiding Officer

ATTEST:



 Mona Lisa Drexler, CMC
 Municipal Borough Clerk

Ayes: Williams, Webb, Foote, Sattley, Beck, Cummings, Hutchison, Holm, Solle, Veazey, Parr
 Noes: None

Introduced by: Manager Jensen
Requested by: Assembly
Drafted by: Manager Jensen
Introduced: 02/01/2001
Adopted: 02/01/2001

KODIAK ISLAND BOROUGH
RESOLUTION NO. 2001-03

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THIS FIRST DAY OF FEBRUARY, 2001



ATTEST:

Judith A. Nielsen
Judith A. Nielsen, CMC, Borough Clerk

KODIAK ISLAND BOROUGH

Robin Heinrichs
Robin Heinrichs, Borough Deputy Mayor