

SB

14

ALASKA STATE LEGISLATURE



Official Business

SENATOR THOMAS H. WAGONER

- Co-Chair, Senate Transportation Committee
- Vice-Chair, Senate Resources Committee
- Vice-Chair, Senate Community and Regional Affairs Committee
- Member, Legislative Council

Session: January – May
State Capitol, #427
Juneau, AK 99801
Phone: 907-465-2828 Fax: 907-465-4779

Interim: May – December
145 Main Street Loop; Suite 226
Kenai, AK 99611
Phone: 907-283-7996 Fax 907--283-3075

SPONSOR STATEMENT

SSSB 14 – EDUCATION FUNDING INCREASE

This bill increases the current student allocation from \$4,169 to \$4,500, an increase of over \$300.00 per student.

Increases in the Foundation Formula have not kept current with the eroding effects of inflation. School districts across the State of Alaska are facing drastic budget cutting measures. Cuts are proposed for popular student programs. Teachers are facing layoffs, resulting in an increase in the pupil-to-teacher ratio. An increase to \$4,500 would be the minimum amount needed for schools to meet the requirements of the Alaska Performance Standards and federal mandates.

A primary function of the State of Alaska is to provide for education. We simply must step forward and take full responsibility for that function and help our 53 school districts in turn meet their responsibility to educate our children.

KENAI PENINSULA BOROUGH BOARD OF EDUCATION

Resolution 03-04-3

**RESOLUTION SUPPORTING EARLY FUNDING AT \$4500 BASE STUDENT
ALLOCATION OF K-12 EDUCATION FOR FY 2005**

WHEREAS, the sustainability, reliability and adequacy of Alaska's funding for public education is of highest concern to the Kenai Peninsula Borough Board of Education; and

WHEREAS, the State of Alaska allocates its funding at the end of the Legislative Session; and

WHEREAS, Districts must project next fall's enrollment and on that basis set a budget before the Legislature is out of session and the state fiscal year budget is enacted; and

WHEREAS, employee collective bargaining agreements require notification of continued employment before the end of the Legislative Session which necessitates a staff reduction until financial resources are known for the next year.

NOW, THEREFORE, The Kenai Peninsula Board of Education resolves to urge the Alaska Legislature:

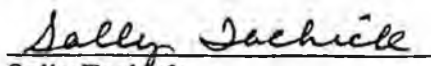
- To require early funding of K-12 education with a Base Student Allocation of \$4500. Numerous studies have shown this amount to be the minimum needed to meet today's student achievement challenges as required by the Alaska Performance Standards and federal mandates. \$4500 would provide the Kenai Peninsula with a status quo budget in 2004-2005. Appropriating and investing an adequate amount of funding for education is the responsibility of the Alaska Legislature.
- To require an annual adjustment for inflation to provide a sustainable and reliable source of funding.

Adopted by the Kenai Peninsula Borough Board of Education on this 5th day of January, 2004.



Deborah Germano, President
School Board

Attest:



Sally Tachick
Notary Public
My Commission Expires 07/25/05



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FOLLOWING
DOCUMENT(S)
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POOR
ORIGINAL
COPIES

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT
2004 STATE LEGISLATIVE PRIORITIES**

*** Assure a quality educational experience for all Alaska students by assuring accountability for student achievement.**

The Kenai Peninsula Borough School District accepts and embraces the tenets of all students achieving to their highest personal potential. Evidence of success, especially in the areas of reading, writing, and math, are provided to students, parents, and schools. Accountability has been provided to the public through test scores being posted on the District's web site and available at each school. Individual student grade reports and class information is available through Edline (web-based program) and community response is outstanding. Each school's goals and plans for improvement, approved by the community site-based decision-making council are also available. The District's budget is aligned with the student achievement goals by consistently allocating over 70% to classroom instructional accounts.

*** Assure a quality, equitable educational experience for all Alaskan children by providing sustainable, reliable, and adequate funding for education.**

The Kenai Peninsula Borough School District supports raising the base allocation available per student to \$4500 from the current \$4169 level. Numerous studies have shown this amount to be the minimum needed to meet today's student achievement challenges as required by the Alaska Performance Standards and federal mandates. Appropriating and investing an adequate amount of funding for education is the responsibility of state policymakers. Adjusting annual for inflation would provide a sustainable and reliable source of funding.

*** Fully fund the contribution changes required to the Teachers Retirement System (TRS) and the Public Employees Retirement System.**

Academic achievement is tied to highly qualified and committed employees. The State mandated employer contribution increase to TRS and PERS for the Kenai Peninsula Borough School District next year is approximately \$2 million. Unless relief for this increase occurs, the District will be forced to use instructional funding to pay for this obligation.

*** Recognize, through adjustments in the education funding formula, the high cost of doing business in the Kenai Peninsula Borough School District.**

With fifteen schools of under 100 students, 43 sites with four accessible only by air or water, a cost differential of 1.004 is hardly adequate to provide equitable education for communities throughout the peninsula. Central office administrative costs are less than 5% and the amount of dollars and percentage of local funding is the maximum allowed by law. However, because the District receives the maximum funding available, KPBSD has been forced to increase the number of students in classrooms at a much higher rate than other Districts. Current pupil teacher ratios (with no funding for instructional aides) are 1:29 in grades 4-6 and 1:19 in our K-12 small schools. It is not unusual to walk into a classroom with 6+ grade levels and see one teacher attempting to meet the needs of 20 students.

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 14
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
Title: "An Act relating to the base student allocation RDU: K-12 Support
used in the formula for state funding of public education:..." Component: Foundation Program
Sponsor: Senator Wagoner
Requester: Health, Education and Social Services Component no.: 141

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	66,684.3	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
TOTAL OPERATING	66,684.3	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	66,684.3	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	66,684.3	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
This bill would increase the base student allocation from \$^d 169 to \$4,500. A \$331 Increase to the Base Student Allocation.

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679
Division: Education and Support Services Date/Time 2/27/04 9:09 AM
Approved by: _____ Date 2/27/2004
Agency: Education & Early Development

School District	Increase to Basic Need	Change to Floor	Net Increase	Local Contribution Increase
Alaska Gateway	399,884	(138,486)	261,398	-
Aleutian Region	81,919	(32,768)	49,151	-
Aleutians East Borough	307,952	-	307,952	70,829
Anchorage	22,270,706	-	22,270,706	5,122,263
Annette Island	169,419	-	169,419	-
Bering Strait	1,710,118	-	1,710,118	-
Bristol Bay Borough	151,300	-	151,300	34,799
Chatham	175,900	-	175,900	-
Chugach	108,032	-	108,032	-
Copper River	446,817	-	446,817	-
Cordova	280,546	-	280,546	64,526
Craig	435,814	-	435,814	100,237
Delta/Greely	604,747	-	604,747	-
Denali Borough	367,225	-	367,225	84,461
Dillingham	353,736	-	353,736	81,359
Fairbanks N. Star Borough	7,071,520	-	7,071,520	1,626,450
Galena	1,166,917	(466,767)	700,150	268,391
Haines Borough	189,617	-	189,617	43,612
Hoonah	120,332	(4,576)	115,756	27,676
Hydaburg	58,978	(15,270)	43,708	13,565
Iditarod Area	342,684	(104,701)	237,983	-
Juneau Borough	2,550,812	-	2,550,812	586,686
Take	98,476	(24,550)	73,926	22,650
Kashunamiut	289,714	-	289,714	-
Kenai Peninsula Borough	4,674,855	-	4,674,855	1,075,217
Ketchikan Gateway Borough	1,213,386	-	1,213,386	279,079
Klawock	101,849	(11,670)	90,179	23,426
Kodiak Island Borough	1,474,142	-	1,474,142	339,053
Kuspuk	427,559	(31,163)	396,396	-
Lake & Peninsula Borough	494,967	(62,846)	432,121	113,842
Lower Kuskokwim	3,450,473	(1,380,189)	2,070,284	-
Lower Yukon	1,794,017	-	1,794,017	-
Mat-Su Borough	6,827,415	-	6,827,415	1,570,305
Nenana	389,329	-	389,329	89,546
Nome	494,070	-	494,070	113,636
North Slope Borough	1,488,639	-	1,488,639	-
Northwest Arctic Borough	1,842,498	-	1,842,498	423,774
Pelican	21,945	(8,778)	13,167	5,048
Petersburg	349,179	-	349,179	80,311
Pribilof	131,010	(7,901)	123,109	-
Saint Mary's	144,968	-	144,968	33,343
Sitka Borough	705,573	-	705,573	162,281
Skagway	79,079	(31,632)	47,447	-
Southeast Island	211,234	(84,494)	126,740	-
Southwest Region	663,943	-	663,943	-
Tanana	75,392	(38)	75,354	17,340
Unalaska	279,059	(111,624)	167,435	64,184
Valdez	474,313	(177,292)	297,021	-
Wrangell	204,452	-	204,452	47,024
Yakutat	83,723	(14,930)	68,793	19,256
Yukon Flats	380,491	(152,196)	228,295	-
Yukon/Koyukuk	722,678	-	722,678	-
Yupit	413,545	(137,564)	275,981	-
Alyeska Central School	156,232	-	156,232	-
Mt. Edgecumbe High School	160,350	-	160,350	-
Total	69,683,730	(2,999,435)	66,684,295	12,604,169

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February 26, 2004

MEMORANDUM

To: Senator Fred Dyson, Chairman
Senate Health, Education and Social Services Committee

From: Senator Thomas Wagoner 

Subject: SB 14 hearing

I would like to request that SB 14 be scheduled for a hearing in the Senate HESS committee at your earliest convenience.

I have attached a copy of the most recent version of the bill, sponsor statement, and some backup information.

If you should have any questions, please contact my aide Amy Seitz, x3421

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

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Bill Version: SB 14
() Publish Date: _____

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SENATE COMMITTEE REPORT First Committee of Referral

DATE: 1/16/04

FURTHER: Finance

Date of 5-Day Notice _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 3.1.04

Health, Education and Social Services Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL NO. 14

SB 14 EDUCATION FUNDING INCREASE & CPI ADJUSTMT

"An Act relating to the base student allocation used in the formula for state funding of public education; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- Same Title
- New Title

House Bill:

- Same Title
- Technical Title Change
- New Title w/ SCR # _____

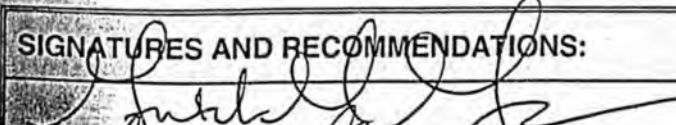
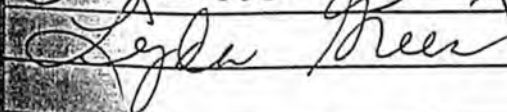
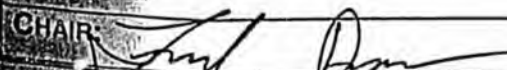
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
EED	7/27	✓			

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>			
CHAIR: 			<input checked="" type="checkbox"/>	