

**SPONSOR STATEMENT**  
**House Bill 105**  
**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. House Bill 105 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 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. House Bill 105 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 HB 105

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

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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 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 commonplace, 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-assuming greater responsibility with a reduction in the purchasing power of the student dollar. Alaska cannot continue to ask its 53 school district 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 House Bill 105 will assist our local school districts to meet, and hopefully exceed, the public's expectations and demands.

Please join me in endorsing House Bill 105.