## **Programs Important For Education**

- Foundation Formula
- Forward Funding of Education
- Bond Debt Reimbursement
- REAA/Small Municipal School District Fund
- Pre-K Grants
- One Time Funding Outside of Formula



## Additional Reductions Affecting Education

- Alaska Marine Highway System
- University of Alaska
- Mount Edgecumbe
- Ability of Municipalities to tax oil/gas facilities
- Community Assistance Program
- Best Beginnings
- Parents as Teachers
- Head Start



## A Tax is a Tax is a Tax!

#### **Cost Shifting**

- Repeal of Bond Debt Reimbursement shifting the entire burden of school construction from the state to municipalities
- Repeal of Raw Fish Tax Program removing the shared fish tax receipts with municipalities
- Repeal of the Community Assistance Program funding from the state to boroughs, cities and unincorporated communities
- Repeal of the ability of Municipalities to tax oil & gas facilities within their boundary



## What are the Effects of Cost Shifting?

- Raising property Taxes
- Enacting or raising sales taxes
- Eliminating services
- Dissolving the municipality



## David Teal, Director Legislative Finance

"There is no question that revenues were insufficient to the budget for a number of years since FY13. The question isn't, 'do expenditures exceed revenue;' it is, 'do expenditures exceed revenue because expenditures are too high, or because revenue is too low? Legislators are the judge of that."



## House Finance Town Hall Meetings

Meetings held in Juneau, Ketchikan, Mat-Su, Bethel, Kenai, Anchorage, Sitka, and Fairbanks.

Alaskans overwhelmingly (5 to 1) testified in favor of sustaining services (education, university, AMHS, senior benefits, etc.)

Alaskans expressed the need to implement new sources of revenue.



## What is the Message ?

PFD's are important to many Alaskans. However, it is not an 'either/or decision'. It is shortsighted and inappropriate to ask Alaskans to decide between a PFD and education funding.



## **House Finance Committee**

- Co-Chair Neal Foster (D-Nome) (Operating Budget)
- Co-Chair Tammie Wilson (R-North Pole) (Capital Budget)
- Vice Chair Jennifer Johnston (R-Anchorage)
- Andy Josephson (D-Anchorage)
- Gary Knopp (R-Kenai)
- Bart LeBon (R-Fairbanks)
- Dan Ortiz (NA-Ketchikan)
- Cathy Tilton (R-Wasilla)
- Kelly Merrick (R-Eagle River)
- Colleen Sullivan-Leonard (R-Wasilla)
- Ben Carpenter (R-Kenai)



## **Senate Finance Committee**

- Co-Chair Bert Steadman (R-Sitka) (Operating)
- Co-Chair Natasha von Imhof (R-Anchorage)(Capital)
- Click Bishop (R-Fairbanks)
- Peter Micciche (R-Soldotna)
- David Wilson (R-Wasilla)
- Mike Shower (R-Wasilla)
- Lyman Hoffman (D-Bethel)
- Donny Olson (D-Golovin)
- Bill Wielechowski (D-Anchorage)



# House Education Committee Monday, April 8, 8:00am-10:00am Room 106

#### "Strategies for Making a Difference in Student Achievement"

- Southwest Region School District
- North Slope Borough School District
- Petersburg School District
- Sitka Borough School District
- Cordova City School District

