The Alaska Legislature
What Happened in 2016 and What’s Likely to Happen in 2017
Norm Wooten, Lisa Parady & Kathleen Plunkett
November 14, 2016
When the 29th Legislature Convened in January 2016

- Alaska North Slope crude @ $30/barrel
- Alaska operating budget @ record $3.5 billion deficit
- Gov. Walker proposes cuts, tax increases, draw on Permanent Fund earnings to fill gap
- Alaska Legislature agrees on budget cuts but little else
When the 29th Legislature Adjourned in June

- Gov. Walker vetoed $1.3 billion from budget approved by Legislature, including $58.3 million from K-12 Education:
  - Foundation formula: cut $6.35 million
  - Pupil transportation: cut $6.35 million
  - One-time funding outside formula: cut $4.7 million
  - School debt reimbursement: cut $30.5 million
  - Rural school construction fund: cut $10.4 million
30th Alaska Legislature
Senate Majority

Senate President
Pete Kelly (Fairbanks)

Association of Alaska School Boards
Advocates for Alaska’s Youth
Lyman Hoffman  
(Bethel)

Anna McKinnon  
(Anchorage)
Other Senate Leaders

Sen. Peter Miccichi
Majority Leader

Kevin Meyer
Rules Committee Chair

Association of Alaska School Boards
Advocates for Alaska’s Youth
Shelly Hughes (Palmer)
30th Alaska Legislature
House Leadership

House Speaker
Bryce Edgmon
(Dillingham)
House Finance Committee
Co-chairs

Neal Foster (Nome)  
Paul Seaton (Homer)
Other House Leaders

Chris Tuck
Majority Leader

Gabriel LeDoux
Rules Committee Chair

Association of Alaska School Boards
Advocates for Alaska’s Youth
Harriet Drummond
(Anchorage)
**Major Issues**

**State Fiscal Plan**

- North Slope crude oil sells at $45 a barrel (October price): up 50 percent from January.
- Daily production at 498,000 barrels (2016)
- Caelus discovery of potentially large oil deposit on North Slope probably a decade away from production.
- Constitution Budget Reserve at $6.3 billion (July 1)
- FY 17 Budget **Deficit** $3.1 billion (estimated)
Major Issues
State Fiscal Plan
(Large Targets)

**Budget Cuts**
- Formula programs, i.e. K-12 foundation
- Permanent Fund Dividend
- Oil Tax Credits

**New Revenues**
- Permanent Fund draw
- General taxation (income/sales tax)
- Oil & other resource taxes

*Reference: Resolves 2.1 (Fiscal Plan) 2.2 (Education Funding)*

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Major Issues
Cost Shifting

PERS-TRS Retirement
- SB 207 & 208 proposed major shift of employer costs to municipalities and school districts.
- Buck Consultants estimated $2.1 billion over 20 years in TRS costs added to districts.
- Reference: AASB Resolve 2.19

School Debt Retirement
- Governor’s veto of 25 percent of state reimbursement funds shifts more costs to local govts.
- Veto of rural school fund transfer doesn’t impact projects immediately, but may set precedent for future cuts.
- Reference: AASB Resolve 2.12
## Teacher & Superintendent Vacancies

- 64 vacancies in classrooms statewide at beginning of school.
- Substitute shortage, as well *(Source: Alaska Teacher Placement)*
- Superintendent turnover high

## AASB Position

- **Resolve 4.4** Bolster training & incentives for special education teachers
- **Resolve 4.5** Flexibility & incentives for teachers & administrators
- **Resolve 4.10** Re-open Retire-rehire
## School Improvement

### Cost Cutting

<table>
<thead>
<tr>
<th>Efficiencies to date:</th>
<th>Efficiencies to come?</th>
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<tbody>
<tr>
<td>Repealed exit exam</td>
<td>Consolidate School Districts (see Resolve 1.2)</td>
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<td>Eliminated 70% waiver paperwork</td>
<td>Statewide salary &amp; benefits system (see 2015 study by UA researchers)</td>
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<td>Focused training mandate for crisis intervention to essential staff</td>
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<tr>
<td>Collaboration &amp; consolidation</td>
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<tr>
<td>On-line classes</td>
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Association of Alaska School Boards
Advocates for Alaska’s Youth
Grassroots Lobbying

- Get to know your legislator
- Make contact before session starts on January 17th
Congratulate Them

- Send a note congratulating them for election or re-election (if they were on the ballot)
Show Them Your Schools

- Invite them to visit schools or district offices
- Send them your district newsletters
- Notify them of success stories (students & staff)
Staff in district or in Juneau play a key role in any legislative process. Staff often have longer tenure at the legislature than most legislators. They are an important source of historical information about issues. Staff also work full-time; legislators are at the Capitol only part-time.
Social Media & Newsletters

- Get connected to social media of your legislators
- Newsletters can be informative: get on the mailing list
Legislative Fly-Ins

- Ask for an appointment well in advance
- AASB Fly-Ins scheduled for early February & Mid March
Do Your Homework

Prepare for your visit

- Who will tell your story and when will they speak?
- Bring handouts
Thank You Follow-up

- Send a note of thanks to every legislator you visit