



## **Alaska Association of School Business Officials (ALASBO) Legislative Fly-In Summary Report**

*February 25-27, 2009*

*Juneau, Alaska*

On Wednesday afternoon, Carl Rose of Alaska Association of School Boards (AASB) and Eddy Jeans of the Dept of Education and Early Development briefed the ALASBO Fly-In Team members. Talking points were then developed for the legislative visits. On Thursday and Friday, the Team met with twenty legislators or their aides; in most cases we were able to meet with the legislators themselves. In addition, Talking Points were distributed to the offices of four legislators who were unavailable for appointments. This effort reached nearly all the members of the Finance, Education and District Cost Factors committees from both houses.

Lists of the Fly-In Team members and the legislators and staff they met with are included at the end of this Summary Report. Also, please check the Follow-Up section on page 2, for information on how you can help move important issues forward. Finally, thanks to our sponsors for Fly-In events: Alaska Council of School Administrators (ACSA), Alaska Public Entity Insurance (APEI), Alaska Municipal League (AML) and the Department of Education and Early Development.

### **Information from Legislators**

The information and feedback received by the Fly-In Team was fairly consistent. Key points are highlighted below.

- Legislation passed last year to implement three-year increases to the Base Student Allocation, Cost Factors and Intensive Needs funding is unlikely to be changed during the current session
- Legislators have not heard much from districts about funding shortfalls, although they have been reading about possible cuts in the newspapers
- There is a small possibility of additional energy relief to districts this session (see Follow-Up section below!)
- An increase to the 20% funding formula block grant to 25% to promote workforce development (voc ed, technology, etc.), which was promoted by AASB during their Fly-In, is getting some positive response; however, this is unlikely to happen during the current session; funding might also be considered outside the formula for these programs, so that special ed needs won't consume all the funding, which may happen with the current block grant structure

- This year's capital budget is likely to be very small; the Governor has proposed just \$40 million, though the legislature is likely to increase that amount (subject to line item veto); there's very preliminary discussion of another General Obligation (GO) bond for projects on the Dept of Ed CIP list, like the one done in 2003; a GO bond must be approved by voters statewide
- The elephant in the room is the federal stimulus package; legislators are still waiting for more information on the impact of this funding and hoping that it will pick up the slack in this year's capital budget funding and in other areas
- There was a positive response to our request to review and possibly eliminate the 70/30 rule (see Follow-Up section below!)
- A possible return to a defined benefit (DB) retirement system is being discussed and promoted by numerous groups, including NEA; there is some discussion of DB being the "same cost" as the newer defined contribution (DC) system; although the ALASBO Fly-In Team was careful not to take a position on DB vs. DC, we did raise the concern that DB creates more uncertainty about future costs, which might later be the responsibility of school districts and other employers to pay
- The District Cost Factor (DCF) Commission was to be chaired by Senator Kim Elton and we were told it would likely have its first meeting in May; however, due to Elton's appointment to the Obama administration, we expect a new chair and timeline
  - ALASBO Legislative Committee Chair Dave Jones of Kenai School District is the Governor's appointee to this commission
  - ALASBO DCF Working Group volunteers will receive some background material shortly and we will plan a teleconference to review this issue
- The short 90-day session is forcing legislators to focus only on the basics, such as budgets; more complicated issues are likely to require work by committees outside the session and a two-year period to accomplish

### **Follow-Up**

- Representative Reggie Joule, a member of House Finance and the DCF Commission, asked for any information we can provide about continuing high energy costs, including utilities, freight and travel costs; respond to representative\_reggie\_joule@legis.state.ak.us (fax: 907-465-4586), and copy your own legislators
- Representative Paul Seaton, Education Committee Chair, has asked for support letters for his HB147, which calls for elimination of the 70/30 rule; the bills has been referred to the House Finance Committee; attached is a draft letter which you can customize and send to representative\_paul\_seaton@legis.state.ak.us (fax: 907-465-3472) and to the Finance Co-Chairs, Reps Mike Hawker and Bill Stoltze (same email format; fax: 907-465-4979 Hawker, 907-465-4928 Stoltze); copy your own legislators
- Legislators thanked the ALASBO Fly-In Team for our time and effort to communicate our issues to them; it is important to continue these Fly-In's, increase participation and be ready to tackle the big issues when they arise!

### **ALASBO Fly-In Team**

- Karen Goodwin, Northwest Arctic Borough School District, ALASBO President
- Laura Hylton, Lake and Peninsula Borough School District, ALASBO President-Elect
- Luke Fulp, Kodiak Island Borough School District, ALASBO Secretary
- Don Carney, Matanuska-Susitna Borough School District, ALASBO Member
- Amy Lujan, ALASBO Executive Director

We welcome you to join us next year!

### **Meetings with Legislators**

- Senator Bettye Davis (D-Majority), Anchorage - DCF, Vice-Chair Education
- Representative Paul Seaton (R-Majority), Homer - DCF, Chair Education
- Senator Donny Olson (D-Majority), Nome - DCF, Education, Finance, LB&A
- Representative Peggy Wilson (R-Majority), Wrangell - DCF, Education
- Senator Charlie Huggins (R-Majority), Wasilla - DCF, Education, Finance
- Representative Reggie Joule (D-Majority), Kotzebue - DCF, Finance
- Representative Scott Kawasaki (D-Minority), Fairbanks – DCF
- Representative Mike Chenault (R-Majority, Speaker), Nikiski – Finance
- Representative Cathy Munoz (R-Majority), Juneau -Vice-Chair Education
- Representative Anna Fairclough (R-Majority), Eagle River – Finance
- Representative Alan Austerman (R-Majority), Kodiak - Finance
- Representative Bob Herron (D-Majority), Bethel
- Representative Bryce Edgmon (D-Majority), Dillingham - Education
- Senator Linda Menard (R-Majority), Wasilla – LB&A

### **Meetings with Staff**

- Senator Kim Elton (D-Majority), Juneau - DCF, Chair Education (Dana Owen)
- Senator Bert Stedman (R-Majority), Sitka - Co-Chair Finance, LB&A (Miles Baker)
- Senator Gary Stevens (R-Majority, Senate President), Kodiak - DCF, Education (Tim Lampkin)
- Representative Wes Keller (R-Majority), Wasilla - Education (John Davies)
- Representative Richard Foster (D-Majority), Nome - Finance (Larry LaBolle)
- Senator Joe Thomas (D-Majority), Fairbanks – Finance (Catherine Reardon)

### **Unavailable – Dropped off Talking Points**

- Representative Mike Hawker (R-Majority), Anchorage - DCF, Co-Chair Finance (ill for several weeks; no appointments)
- Representative Bill Stoltze (R-Majority), Chugiak/Matsu - Co-Chair Finance (no appointments)
- Senator Lyman Hoffman (D-Majority), Bethel - Co-Chair Finance (out-of-town)
- Representative Berta Gardner (D-Minority), Anchorage – Education (out-of-town)