

CEAAC Legislative Success

Report by Policy Director Tom Begich

April 15, 2013

The first session of the Twenty-eighth Alaska Legislature has concluded (around 11:45 PM last night) and CEAAC has many successes to report. We set out this session to secure the passage of two pieces of legislation and to support general operational expenses in the Department of Education that reflect our priorities in the *Moore* case.

Here is our present scorecard:

REAA Fund Expansion

We worked with Senators Donny Olson (D-Nome) and Bryce Edgmon (D-Dillingham) to help us add in to the REAA School Construction Fund those non-REAA single-site districts without the capacity to Bond for School Construction. These Districts were effectively left to the whim of Legislative funding as they neither qualified for the REAA Fund nor for school-debt reimbursement (as they could not effectively bond). This was part of our *Kasayulie* lawsuit and was an area we hoped to address post-settlement. With an understanding that the Governor was not likely to veto such a bill should it pass the Legislature, we aggressively pursued the introduction of HB 133 and SB 62. Both bills were identical – one for each of the bodies. (We do this introduction of bills in both bodies to ensure swift movement and greater familiarity with key legislation.)

SB 62 was the first of these two bills to make it through its house, passing the Senate 20 – 0. It continued to the House and passed the House 37-0 on the last day of Session and will be transmitted to the Governor this week. It should be noted that, rare in the Legislative process, this bill had no amendments. Kudos to the team in the Senate and House who carried the bill: Senator Olson and his aide David Scott; Representative Edgmon and his aide Tim Clark, and our own Dave Herbert who steadfastly made himself available for testimony. This new law adds St. Mary's, Kake, Hydaburg, Tanana and Klawock to the REAA Fund and slightly increases deposits to that Fund (just over \$618,000 was added this year as a result of this bill).

Regional Residential School Bill

Carried largely by Jerry Covey, this Legislation was developed by CEAAC and Cook Inlet Tribal Council (CITC) over the Summer and Fall and was designed to increase boarding school stipends to three times the statutory amount, offer more opportunities to form residential schools, and to provide that such schools could be of less than school year duration and be developed regionally as opposed to just statewide. Introduced as HB 142 in the House by Representative Lynn Gattis (R-

Wasilla) and SB 47 by Senator John Coghill (R- North Pole), the bills were largely identical and also moved quickly. As with our other legislation, the Senate version was the bill that made it through its body first, passing the Senate 20 – 0. It too passed the House on the last day of the Legislative Session 36 – 0. While we were able to retain all the language for regional residential schools, we were unable to sustain the increase in stipend amounts called for in our original bill (from the current double the statutory rate to triple the statutory rate). However, we did maintain the status quo (current funding levels at double the rate) and made these existing rates statutory, rather than have those levels diminish by half – which they were scheduled to due had this bill not passed. Special credit to Both Senator Coghill and his staff Rynnieva Moss and Representative Gattis. Jerry Covey worked with CITC’s lobbyist Andy Baker and our super superintendents Norm Eck, Scott Ballard and Eric Gebhart, as well as others, to provide testimony and support for this legislation.

The passage of both of these bills was a tremendous success and both bills begin moving us to next year’s efforts toward securing the increased stipend amount and identifying ways to fund housing, improve debt-reimbursement rates and generally support alternative approaches that help all of our children.

School Funding in the Operating Budget

Stronger numbers in the Senate Budget in general were adopted in the conference committee on the Operating Budget. These levels essentially held funding in the Department harmless. We did almost lose a portion of the final year of the Iditarod School District pilot project funding, cut by the Senate, but were able, working together, to get that restored in the final negotiations.

School Funding in the Capital Budget

Funding continued for the *Kasayulie* Schools with Nightmute, as ensured by our settlement with the state. The Senate acted to also pre-fund \$25 million for Kwethluk (a \$56 million school scheduled for next year through the *Kasayulie* agreement). However, it should be noted that these amounts were funded from the REAA Fund, rather than the General Fund. While we continued to advocate that the schools that were part of the Settlement should be funded with General Fund, the Governor continues to disagree and, in this particular climate, the Legislature and Governor made it clear that General Fund would not be used for school construction on the grants list this year. Consequently, to meet their settlement obligation, the Governor and Legislature funded these schools through the REAA Fund over our vigorous protest. While this has had the effect of slowing down our ability to move down the school construction list as far as we had hoped (we had sought to get to St. Mary’s this year), we are confident that we will be able to do so once Kwethluk funding is completed next year and continue to explore alternate ways of funding our schools on the list.

In a last minute development the House also added \$21,000,000 in to the budget for student safety and security enhancements. If you already have funds allocated in your budget for safety and security, these funds may be used for those projects, thus allowing you to redirect the funds you had initially set aside.

Here is the breakdown of distribution for the \$21 million for our districts (based on ADM):

Alaska Gateway	\$116,641
Aleutian Region	\$19,216
Aleutians East	\$88,920
Anchorage	\$6,394,476
Bering Strait	\$557,875
Bristol Bay Borough	\$36,528
Chatham	\$50,497
Hoonah City	\$32,267
Iditarod	\$82,586
Kake City	\$31,297
Kashunamiut	\$78,824
Kuspuk	\$ 112,981
Lower Kuskokwim	\$1,074,145
Lower Yukon	\$606,381
Nenana	\$97,361
Northwest Arctic	\$557,071
Southeast Island	\$76,584
St. Mary's	\$47,085
Yukon Flats	\$117,356
Yukon-Koyukuk	\$182,433
Yupitit	\$135, 943

Additional Capital Funding:

School Construction Maintenance Projects in CEAAC Districts (Tununak was not in the Governor's original proposal and may be subject to veto):

Nenana K-12 School South ADA Access Improvements	\$903,785
Tenakee K-12 School HVAC Controls Renovation	\$31,966
Holy Cross K-12 School Roof Replacement	\$287,873
Kake High School Boiler Replacement	\$45,643
Tununak K-12 School Major Maintenance	\$727,938

All in all an extraordinary Legislative Session!