

P.O. Box 90791
Anchorage, AK 99509-0791
www.CEAAC.net
907-242-2151
director@ceaac.net

Citizens for the Educational Advancement of Alaska's Children

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MEDIA RELEASE

Contact: Charles Wohlforth, 907-242-2151

Advocates object to inequitable school funding bill

Anchorage—A school funding bill advanced by the Alaska State House Finance Committee discriminates arbitrarily against small schools and threatens to re-ignite the urban-rural divide that once plagued Alaskan civic life.

CEAAC, a coalition of two dozen school districts and other education supporters, reached that conclusion after studying HB 278 CS. Among other problems, the bill changes a school funding formula that has lasted more than 15 years. The changes are intended to steer additional money to Anchorage at the expense of schools in villages, towns and small cities all over Alaska. The legislation permanently disadvantages smaller schools.

CEAAC supports an increase in school funding for Anchorage and other large districts through the existing formula, on the equitable basis established through extensive study and legislative debate in the 1990s. According to the 1998 McDowell Group report that supported the existing formula, "Study results indicate that school size has enormous influence on operating cost per student." Because of that finding, the formula provides more money per student to smaller schools. But the House bill changes that system to treat all schools with 250 or more students as if their per-student costs were identical.

"This is the kind of unfair legislation that caused years of animosity between urban and rural Alaska," said Charles Wohlforth, executive director of CEAAC. "Those inequities led to our successful litigation against the State of Alaska many years ago. Today, we have good partnerships among all districts and with the state, and we never want to be involved in litigation

Norman Eck
President

Kerry Boyd
Vice President

Joe Beckford
Treasurer

Mike Abbott
Executive Board Member

Todd Poage
Executive Board Member

Charles Wohlforth
Executive Director

again. We intend to see this bill changed in the legislature to create fair funding increases for all school districts.”

By removing factors in the formula that account for the economies of scale enjoyed by large schools, House Finance engineered a bill that steers \$9 million of a \$13.5 million increase to Anchorage, with \$3.5 million split between Mat-Su and Fairbanks, and just \$1 million shared among eight other districts. All other districts get no increase over the original bill submitted by Governor Parnell, which called for an \$85 hike to the Base Student Allocation. That’s because House Finance also took away energy funding that was included in the Governor’s bill and that had been allocated in previous years, a cut that entirely offsets increases seemingly offered to districts with smaller schools.

CEAAC joins with the parent group Great Alaska Schools and with other education groups in calling for a \$400 BSA increase this year, followed by \$125 increases in each of the next two years. CEAAC’s position is that the many complex and unvetted add-ons to the House bill should be abandoned by the Senate, allowing a clean BSA increase to go through. The various new ideas inserted into the legislation should be given full review and study in a future legislative session, not dropped in without opportunity for public review in the final weeks before adjournment.

CEAAC is a coalition of two dozen school districts and other education advocates. It was founded in the 1990s to pursue the Kasayulie lawsuit against the State of Alaska. In that case, a Superior Court judge found the legislature’s political practice of favoring urban over rural districts for school construction was inequitable, racially discriminatory, and unconstitutional. CEAAC’s 2004 Moore lawsuit brought similar claims about school operations funding. CEAAC and the Parnell administration settled the suits in 2011 and 2012, and since then have worked cooperatively on a variety of education issues.

CEAAC has partnered with the Anchorage School District, urban school advocates, and Governor Parnell on a variety of issues. For example, Governor Parnell signed a bill in 2013 that was initiated by CEAAC to create Regional Learning Centers, where village students can receive comprehensive high school opportunities. The Governor’s 2014 education bill contained a funding increase for the centers. The current House education bill also deletes that provision.