

Legislative Update February 11, 2015

From Government Relations Director Tom Begich

The budget picture may be grim, but education – at least for now – is holding its own. Not only were the reductions kept to a minimum in the DEED Budget proposed by Governor Walker, but there was an additional added increment of over \$13 million for some Major Maintenance. On another note efforts to reduce Alaska Student Loan percentages also have traction as a bonding bill to do just that has moved in the Senate Majority. This could have an impact on our potential teaching pool. There is a lot of discussion around teacher retention and we should be able to present our own work on the Mrch 10<sup>th</sup> in conjunction with hearings on the University of Alaska's efforts in support of Teacher retention – that's also good news and the timing is perfect.

### **The Budget**

As mentioned above, the new budget is out and, along with the over \$13 million in Major Maintenance mentioned above, continues to support the *Kasayulie* litigation by providing first phase funding for the Kivalina school and road. A summary of these capital expenditures from the Alaska Education Report is here:

#### **From the capital budget narrative:**

The FY2016 Department of Education and Early Development appropriation in the amount of \$3,491,192 and reappropriation not-to-exceed \$10,000,000 will fund the first four projects on the January 2015 Capital Improvement Projects list for School Major Maintenance:

- 1) Petersburg Middle/High School Boiler Repair - \$24,565
- 2) Andrew K Demoski K-12 School Renovation, Nulato - \$10,637,668
- 3) Nome City School District - Districtwide Lighting Replacement - \$192,813
- 4) Bethel Campus Boiler Replacement - \$2,636,146

The other items in Governor Walker's capital budget are the same as those in former Governor Parnell's budget:

- \$2,500,000 for the Kivalina Access Road
- \$4,600,400 for Kivalina School Design

In the operating budget the increases to the BSA are maintained, but one-time funding is removed. There are a number of changes to the operating budget specific program areas, but Mentoring and most of Pre K are held harmless (pre K suffers a 5% reduction. Notes to the Governor's proposed Operating Budget are below – the document prepared by DEED is attached:

Ak Mentoring:	\$2,300,000	(no change)
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Ak Learning Network:	\$599,700	(reduction of 29.4%)
Pre K:	\$1,900,000	(reduction of 5%)