

Education funding in political jeopardy

by Jeff Richardson
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Although Gov. Tony Knowles has ordered a review of the way the state funds education, legislators have their own ideas on the subject and may not wait on the review. At least one conservative measure, Senate Bill 70, would shift funding away small rural schools and increases funding for Anchorage schools. Although its fate is uncertain, rural legislators warned that it bears close watching.

There is widespread agreement that education funding is a pressing issue because it makes up such a large portion of the state budget. However, not everyone agrees on how the discussion should be structured.

"The impression has been fostered by legislators that we have a serious financial emergency. The basis for that impression is the argument that by looking at the projected annual state revenue and the current cost of operating government, a five year projection indicates there would be approximately a \$522 million gap. We contend that scenario is not our only option," said Carl Rose, executive director of

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the Association of Alaska School Boards.

"Another way of looking at the state's financial situation is to consider that there is approximately \$16 billion in the Permanent Fund and other reserve accounts. If we consider the state's operating expenses in that light, we have a zero fiscal gap and still have billions in reserve."

Rose called for a more deliberate and measured discussion of state spending priorities and called on lawmakers to put their money where their mouths are on support for education.

By law, the state annually provides \$61,000 per instructional unit. An instructional unit is a way of aggregating students in terms of enrollment, programs offered to students with special needs, whether it's primary or secondary and other factors. A complex formula, also set in law, uses these factors as the basis for calculating the level of state education funding. There are approximately 12,500 instructional units involved in the so-called foundation formula program, which makes about \$631 million per year available to approximately 125,000 students.

While Knowles has proposed funding at this level for Fiscal Year 1996, pending his policy review, House Republicans have been pushing HB 230, which would

freeze education funding at the amount appropriated this year. Districts would not be able to obtain funding hikes for increased student enrollment, with the net result that education would be underfunded. Instead of \$61,000 per instructional unit required by law, funding levels would drop to \$59,935 for FY 1996 and even lower in FY 1997. While such statistics are somewhat abstract, and may not seem drastic, experts say the impact would be widely felt in more crowded classrooms where the quality of teaching would quickly begin to drop.

According to the Alaska Dept. of Education, it will take \$18 million more to fully fund education next year than was needed this year due to increasing enrollments.

Although opposition to conservative proposals to "flat fund" education is strong, it's hard to say what will happen next. Legislative leaders this year decided to debate separately the state's overall budget and the education spending plan. Education was put off until work was completed on funding for state agencies.

Last year, Democrats were able to exercise considerable leverage over the leadership and secure full, early funding for education because the Republican majority needed Democratic votes to achieve the three-fourths

vote in each body required to take money from the Constitutional Budget Reserve to balance the budget. While this scenario could repeat this year, conservatives have somewhat tighter control over the proceedings, having picked up additional seats in last November's election. Also, conservatives this year have proposed a measure that would alter the three-fourths vote requirement.

Currently, lawmakers are negotiating budget issues behind closed doors. Meanwhile, education advocates have been trying to turn up the heat for full funding.

"We expect at least a two per-

cent statewide increase in student enrollment next year and another two percent the year after that. We clearly need to give our schools the tools to teach those new students," said Stowell Johnstone, chair of the state Board of Education. "Without full funding, we'll have to crowd those students into existing classrooms."

Johnstone noted that numerous education reform efforts are in progress, many supported by conservatives, which could be jeopardized if funding is cut.

"We need to expect more from our schools, and we cannot expect more with less funding. Without

full funding we will be stuck with the status quo or less."

A Children's Coalition has formed to press legislators on the issue. Members of the coalition include the Alaska Council of School Administrators, Alaska Head Start, Alaska Association of School Boards, the Alaska Municipal League, Alaska Association of School Administrators, Kid Pack and the Alaska Education Association.

"Our schools will be taking a step backwards if funding is cut by the legislature," said Steve McPhetres, director of the Alaska Council of School Administrators.