

<u>HB69</u> will blow out Alaska's budget and won't necessarily improve student outcomes. Here's why:

- 1. HB 69 would permanently raise the Base Student Allocation by \$1,000 in 2025, \$1,400 in 2026, and \$1,800 in 2028. The total BSA would rise from \$5,960 to \$8,510 per student.
- 2. HB 69 would add more than an estimated \$644 million per year in funding by the 2027-2028 school year.
- 3. Where the funding will come from hasn't been explained. Proponents of the bill <u>believe</u> "it's possible to afford a public school funding increase if the Permanent Fund dividend is cut to \$1,000 and if legislators pass some small tax bills."
- Alaska already has among the highest spending per student but scored 51st nationally in fourth grade reading and math on the 2024 National Assessment of Educational Progress.
- 5. Alaska spends the most on education as a <u>percentage of taxpayer income</u> and is the most dependent on federal funding.
- 6. HB69 doesn't include any transparency provisions or encourage districts to improve outcomes.
- 7. Incentivizing transparency and rewarding better outcomes does not have to be burdensome to school districts. For example, many states require districts to publish line items from their checkbooks for the public. In Tennessee, districts receive per-student funding bonuses based on reading and writing scores.
- 8. HB 69 was discharged out of the House Education Committee through an unusual House floor vote, raising concerns about inadequate discussion in the House.
- 9. Despite a massive fiscal impact, HB69 spent less than 45 minutes in the House finance committee before advancing to a vote of the full House without *any discussion of amendments or hearing public testimony*.
- 10. The Legislature must consider reforms that would incentivize better outcomes in public schools, expand educational options, and provide the public with transparency as to how funding is spent. Fast-tracking a spending-only initiative fails to meet those goals.