

For Immediate Release

House Finance Follows Governor's Lead, Passes School Construction Costs to Local Taxpayers
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During a legislative session focused mainly on the budget, and extreme cuts as the Governor's only solution, House Finance Committee members today voted against funding school bond debt reimbursement and rural school construction.

The Governor has been successful in convincing many that their Constitutional obligations matter less when it comes to funding schools. At the same time, the Governor's pledge of "no new taxes" applies only at the State level – increased and new taxes at the local level will be the direct result of the vote today, even as taxpayers come to grips with fewer services.

The cuts are felt disproportionately by rural Alaska – school bond debt reimbursement is nearly 15% of Aleutians East Borough and Dillingham's tax revenue, and more than 30% of Lake and Pen's, among others. Impacts to the Mat Su are also significant, shifting nearly \$20 million more to Mat Su taxpayers.

Instead of reducing the size of State government, the Governor – and now House Finance – have shifted State obligations to others. Moreover, they have prioritized some obligations over others, and prioritized some regions of the State over communities for whom cuts mean closed for business.

AML wants to thank Representatives Ortiz, Knopp, Josephson, and Foster for their opposition to this decision, and their support of education in Alaska. The House still has time to reconsider, and to keep communities strong.

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