

Coalition for Education Equity – Position on Revenue for 2017 Legislative Session

The Coalition for Education Equity believes that a thriving state requires a successful education system. This means that we need a stable, sustainable, and predictable budget supported by diversified revenues. We recognize that further reductions to our education budget are not in the best interests of such a successful education system and that such cuts will, in fact, do damage to our fragile education structure. The Coalition for Education Equity also acknowledges that opportunities for youth to come to school prepared to learn, and to leave school with the ability to pursue further education or a meaningful vocational occupation are obligations guaranteed in Alaska's constitution.

To this end, the Coalition for Education Equity supports the following actions:

- Continued support of a robust foundation formula that reflects the diverse needs and interests of our Alaskan residents – regardless of where they live or their particular needs;
- Stop further cuts to education and advocate for supports for those populations most in need;
- Create a forward-funded education system that reduces uncertainty for our local districts as they make their funding decisions and plan their budgets;
- Continue to support pre-k and early childhood education to prepare youth for learning.

To meet these goals, the coalition supports certain revenue measures including:

- Ending corporate tax subsidies and rebates that could cost the state potentially over \$700 million annually
- Use of up to 5% of the annual earnings of the Permanent Fund to support general operations of the state government.
- A statewide income tax or similar revenue measure to further ensure a stable funding stream for state expenses, including education.
- Supports increases in user fees and incidental taxes on alcohol, fuel, mining, and other similar items where those taxes have not been altered in many years

Together these measures may generate as much as \$3.5 billion – offsetting the current anticipated budget deficits.

The Coalition for Education Equity acknowledges and supports efforts at diversifying our economy to further sustain our budget revenues, identifying efficiencies in government that do not compromise local control, and the development of alternative fuels and other energy sources to reduce the cost of energy in rural Alaska.