

The question of adequate funding for Alaska's educational system has become a key issue of this year's legislative session and the reasons for it are perfectly understandable. School districts are faced with the skyrocketing cost of teacher and employee retirement plans, while they sort out how to pay for rehabilitating existing schools and building new ones that create a productive and safe environment for learning.

My friend and colleague Senate President Ben Stevens has introduced innovative legislation known as the Education Infrastructure Bill (SB 155). It funds every K-12 deferred maintenance project in rural and urban Alaska on the state Department of Education and Early Development's deferred maintenance list. It also builds many new schools, especially in the Mat-Su valley, where classrooms are bursting at the seams.

The university system is also a winner under the bill. UAA will finally have a new Integrated Science Facility to train the next generation of scientists and medical professionals. UAF receives a new Virology Lab to monitor significant diseases, train future scientists and to build on UAF's growing reputation for scientific research. The bill even funds a new vocational-technical facility at the Kodiak College campus to train young Alaskans for jobs that are critical to our resource development based economy.

All the educational construction projects in the bill total \$344 million dollars. So how can the state possibly afford to pay all that at once? The Educational Infrastructure Bill can make it happen in a relatively painless way by using the excess revenue, after paying dividends, from the earnings of the Alaska Permanent Fund.

The PFD has become a welcome infusion of cash into Alaskans pockets. The beauty of SB 155 is the insignificant effect it will have on this cash distribution each October.

The Legislative Finance Division calculates that if the Education Infrastructure Bill passes this session, a child born in 2005 will receive dividend checks over the next 22 years totaling approximately \$50,000 dollars. 22 years is the time it takes for a child to finish public school and get a four-year college degree.

How much would that same child receive over the same 22-year period without the Education Infrastructure Bill and the quality schools that come with it? Approximately \$50,000 dollars.

That's right, the legislation has a 1% effect on dividends and takes Alaska's educational system to the next level.

What a great way to strengthen the state's school system for all children regardless of where they live, or their family's income level. It also makes the UA system more

attractive to current and future Alaskans, and in turn creates a competitive, trained workforce that will remain in Alaska and raise their children here.

Sadly, the Education Infrastructure Bill is under fire from some lawmakers who have labeled themselves “Defenders of the Dividend,” and call it a transparent attempt to “raid” the Permanent Fund.

What these self-described “Defenders” have forgotten is the original intent of the Permanent Fund. In the 1970’s a group of Representatives and Senators, from both major political parties, had the foresight and wisdom to create the Permanent Fund so basic services like education are protected when oil revenues can’t provide the education system we need. Of course dividend checks were and should remain part of that visionary program, and under the Education Infrastructure Bill they will be.

Record oil prices will create a large budget surplus this year. That does not lift the obligation lawmakers have to make judicious, responsible decisions about Permanent Fund earnings and education.

The Permanent Fund is \$30 billion dollars strong. Its annual investment earnings can inflation proof the fund, issue hefty dividend checks and build first class public schools and universities from the North Slope to Ketchikan and everywhere in-between.

Education is the great equalizer. I am asking all Alaskans to support the Education Infrastructure Bill to make that happen.

Senator John Cowdery represents District O in the Alaska Senate