



# Representative Calvin Schrage

*Proudly serving our friends and  
neighbors in House District 12*



Dear Friends and Neighbors,

With only three weeks left until the 121-day legislative session ends, I want to provide friends and neighbors with a brief update on where we are in the operating and capital budget process as well as the recent ruling on correspondence school allotments and education legislation.

As always, it is an honor to serve our community and I am here if you have questions, need assistance with an issue you may be facing, or to share your thoughts, ideas, or concerns. I work hard to represent the diverse views of our community and hearing from friends and neighbors such as yourself helps me accomplish this. You can reach me by email at [Rep.Calvin.Schrage@akleg](mailto:Rep.Calvin.Schrage@akleg), on my personal cell at 907-240-8986, or at our office at 907-465-4931.

## Budget Update



## **Operating Budget Update**

Earlier this month, the House passed our version of the Fiscal Year 2025 operating budget to the Senate. I am extremely proud of the hard work my colleagues in the House Coalition put toward improving the operating budget. I am also grateful to the members in the House Majority who came together to make key investments in Alaska. Some of the highlights of the amendments passed in the House Finance and House Floor include:

- \$4 million to keep the Anchorage homeless shelter open year round. This has been a key request from the Anchorage Assembly and Mayor and would be one of the first direct investments from the state toward supporting local cities to address homelessness.
- \$3.7 million in base funding for the Council of Domestic Violence and Sexual Assault (CDVSA).
- \$5.2 million for Head Start grant funding.
- \$15 million for child care block grants
- \$1.1 million for Volunteers of America (VOA) to provide youth substance abuse and mental health treatment.
- \$5 million to promote tourism and \$5 million to promote Alaska seafood marketing.
- Fully funding the Community Assistance program which provides direct support to local governments and in turn, reduces pressure on local taxpayers.
- \$816 thousand for UA campus public safety.
- \$479 thousand to make school meals for students who qualify for reduced lunch costs free with a corresponding reduction to the Department of Corrections.
- Funding for Reads Act implementation.

Although the operating budget passed by the House was far better than the initial proposal, I ultimately voted against the budget due to some major issues that remained. One such issue was that the operating budget was unbalanced when taking into account the capital budget and the numerous expenses we know will need to be funded this year. Examples of omitted expenses include, fiscal notes for legislation (e.g. the \$40 million for rural broadband grants, childcare tax credits, senior benefits, etc.), ongoing labor contract negotiations, Medicaid fees for updated Medicaid Halfway House negotiations, costs of fire response, federal match for the Grid Resilience and Innovation Partnership. These items, when added to the agreed upon \$550 million dollar capital budget and proposed \$2,300 PFD, resulted in an unrealistic budget that would require the legislature to either raid the permanent fund or recklessly drain our last available savings account below levels recommended by legislative finance and

OMB (the Office of Management and Budget). Because of this, I could not support the budget as proposed.

### **Capital Budget**

The Senate passed the FY25 capital budget earlier this month which is now being considered in the House Finance Committee. So far, the capital budget is expected to be roughly \$550 million and includes various statewide capital projects, funding for major school maintenance and deferred maintenance, renewable energy projects, and some district-level projects. This is a good start, and I look forward to working with my colleagues in the House to make additional investments. In particular, I believe we should be doing more to address deferred maintenance throughout Alaska and to take advantage of once-in-a-lifetime federal funding to upgrade our critical energy infrastructure and modernize the energy grid.

### **Correspondence School Allotment Decision and Path Forward**

Earlier this month, the Alaska Superior Court ruled in the [Alexander v. Teschner](#) case that Alaska's laws allowing for cash allotments to parents in correspondence programs were unconstitutional because they lacked restrictions necessary to protect against abuse of the system. While the vast majority of homeschool parents, students, and families rely on these allotments and use them to support and enrich their students' education in a constitutional manner, it is clear that some families were intentionally using the funds in a way prohibited by our constitution, and as a result, all student allotments are now at risk going forward. I strongly support all students, whether they attend local neighborhood schools, charter, or correspondence and I am determined to find a solution that is constitutional and ensures all students have access to the support and resources they need to thrive.

You can read the full ruling here:

<https://www.documentcloud.org/documents/24544944-3an-23-04309ci>

### **Path Forward for Correspondence Programs**

There are various paths forward in the wake of this ruling. The easiest and simplest option would be for the State Board of Education to pass emergency regulations returning our correspondence school program to the same rules that existed before 2014. At that time, allotments were allowed for education expenditures so long as they were from an approved list. This prevented abuse of the funding and provided for transparency on how state funds were being used to support correspondence students and families.

In the upcoming weeks, I am committed to working together with legislators and the governor to find a meaningful solution for correspondence school students and to address the numerous other crises in education, including years of flat funding and barriers to recruiting and retaining high-quality educators and support staff. I stand ready to support all Alaskan students, parents, and teachers and hope that we can pass a new education package to support all of our students.

### **Build Your State Budget**

Alaska Common Ground has put together a survey for Alaskans to build their own version of the state's budget! This is an insightful exercise and helps provide context on Alaska's current fiscal restraints and options on various paths to take the state. You can [build your own budget here](#) and feel free to share your response with your legislators.

### **Below are some additional resources for staying up-to-date and engaged:**

**Watch Committee Meetings** – Most committee hearings are broadcast on Gavel Alaska at [360north.org](http://360north.org) or through the Live Now tab on the AK Legislature's [home page](#). House and Senate floor sessions are also available on Gavel Alaska at [ktoo.org/gavel](http://ktoo.org/gavel).

**Access Budget Materials** – The Office of Management and Budget website has many helpful tools and presentations relating to the state budget. You can find these resources, and more, at [omb.alaska.gov](http://omb.alaska.gov).

**Keep Track of Bills** – If you're interested in learning more about a bill from this session or from years past, you can learn more at [akleg.gov/basis/Home/BillsandLaws](http://akleg.gov/basis/Home/BillsandLaws). Just type in a bill number in the search bar (ex: HB 234) at the top of the page. You can also text a bill number (ex: HB 234) to 559-245-2529 to enroll in text alerts.

**Use Your Legislative Information Office (LIO)** – LIOs are a great local resource for navigating the legislative process. The staff at the LIO can help you research bills and issues, navigate the state computer system, and participate in hearings by providing public testimony. You can contact LIO staff Monday-Friday between 8:30 AM and 4:00 PM through their new chat interface, located in the lower right corner of [akleg.gov](http://akleg.gov).

**Contact the Anchorage LIO** – You can reach the LIO by phone (907-269-0111) or email: [LIO.Anchorage@akleg.gov](mailto:LIO.Anchorage@akleg.gov).

Warmly,  
Representative Schrage

PS - I am honored to serve as your Representative. Please do not hesitate to reach out to me or our office anytime.

### **Contact Representative Calvin Schrage**

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