

**Erich Henry Kuball**

INTERIM SUPERINTENDENT

OF SCHOOLS

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Thursday, February 23, 2017

Dear Senator Hoffman:

The Kuspuk School District strongly opposes Senate Bill 18.

As residents of the mid-Kuskokwim region and board members of Kuspuk School District, we are very knowledgeable about the region. If implemented, Senate Bill 18 has the potential to cause great hardships to the villages of Kuspuk School District.  We oppose this bill for two reasons: 1) the ability of a “third-class borough” to levy property taxes, and 2) loss of local control and representation regarding the education of our students.

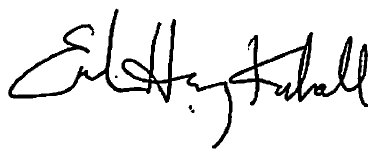
There are relatively few taxable properties within the proposed third class borough. Our villages, like others in the Calista Native Corporation region, are located in the poorest region of Alaska, with well over half of the properties classified as Native lands, thus exempt from property tax. This proposed borough, located predominantly in Native country, would have a poor taxable land base until private industry and private landowners develop enough to fill the coffers.  In the meantime, the potentially large property tax burden would discourage private businesses and homeowners. Homeowners who cannot pay the tax will risk losing their property. Only if Donlin Gold mine is constructed can taxes be reasonably levied. The mine is located in the mid-Kuskokwim area, and the people in the surrounding villages are adamantly against a Bethel-based borough.

As for education, the Kuspuk School District strives to provide students an appropriate, customized, quality education that depends heavily on local control of curriculum, policies, and programs. Currently, the schools in the Calista region are run by six separate school districts.  In this proposal, the Kuspuk School District would be absorbed into a larger school district with 20 times the student population.  With only 5% of the student population, our region would be lucky to have a representative on the school board or in the borough. Being part of a larger district would degrade education for our students.

Frankly this bill is not about public education, but rather an attempt to combine school districts for the purpose of levying taxes on a non-existent tax base and selling energy infrastructure bonds that the residents of the region could not afford to pay off.  Currently, the Kuspuk School District runs well, and has for many years. Becoming 1/20 of a larger district would be to the detriment of our students and residents.

Lastly, Senate Bill 18, Sec.2,(b) ......"as far as practicable, each regional educational attendance area shall contain an integrated socio-economic, linguistically and culturally homogeneous area".  Senate Bill 18, as written, is for the Calista Native Corporation. Historically, residents in most of the 56 Calista villages have witnessed poor service outreach from Bethel-based regional service organizations. Part of this is due to geography and proximity. Deep cultural differences exist, however, between the Bethel area and the mid-Kuskokwim area, just as they exist between the Lower Yukon and the mid-Yukon people. This proposed third-class borough would not be socio-economically homogeneous, linguistically homogeneous, or culturally homogeneous. It would only deepen frustrations regarding sub-standard service from Bethel-based organizations. We need to protect the quality education that our students receive.

Due to the substantial issues regarding property tax and quality of education, the Kuspuk School District strongly opposes Senate Bill 18.



Sincerely,

Erich Kuball

Superintendent