

HANDS OFF— Nomeites gather at Anvil City Square on Saturday to join nationwide protests against Trump and DOGE.

Photo by Laura Robertson

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PFD and school funding keys to balanced state budget

By Anna Lionas

Legislators are working to balance the state operating budget for the fiscal year that starts July 1, with school funding and Permanent Fund dividends at the forefront of the conversation. Both are likely to be reduced from last week's House Finance Committee budget proposal, but by how much is still in question.

That budget included a PFD of roughly \$3,900 — the highest ever which House leaders said this week is obviously unaffordable.

"It is not a sustainable number and it's not something that we should be even stoking the fantasy over – that the number would even be possible - with our constituents," House Majority Leader Rep. Chuck Kopp (R-Anchorage) said in a press conference Tuesday.

Also included in the House committee version of the budget is a permanent \$1,000 increase to the per-student funding formula, which would cost the state \$275 million.

Rep. Andy Josephson (D-Anchorage) said increasing the per-student funding formula is necessary and is not the only problem when it comes to the \$1.9 billion deficit budget deficit. The massive \$3,900 PFD would cost the state treasury almost \$2.5

"Is it expensive?" Josephson said of a sizable boost in state aid for schools. "Sure it is. Must we do it? You bet," he said.

Minority caucus member Rep. DeLena Johnson (R-Palmer) said the school funding increase is "just not possible," during a press conference

The House Finance Committee will keep working on the budget bill. The full House will need to vote on the bill before the budget can move to the Senate for consideration.

One thing stalling the move out of House Finance is the inability to reduce the PFD from the \$3,900 that

the governor proposed in his budget back in December. The committee last week considered setting the PFD at \$1,000 but it failed to pass.

Rep. Neal Foster (D-Nome) and Nellie Jimmie (D-Toksook Bay) are both in favor of a full \$3,900 dividend, citing the need for their constituents in rural areas. They won't vote to reduce it, so minority members are needed for any change

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NOME KENNEL CLUB RACE— The Nome Kennel Club held a 40-mile dog race on Saturday, April 5. See story on page 8.

Nomeites join nation in protests against Trump, Musk

By Laura Robertson

Last Saturday, people in more than 1,200 locations across the country rallied against President Donald Trump and the so-called Department of Government Efficiency and its leader Elon Musk, in what is so far the largest anti-Trump demonstration during his second term.

The 'Hands Off' protest brought dozens of Nomeites to Anvil City Square to hold signs and give brief speeches.

Roxanne Thurman organized the protest. "My friend and I just felt compelled to act because we just couldn't bear telling our grandchildren that we sat silently while our nation was torn apart," Thurman wrote in a letter to the Nugget describing the planned protests last

Thurman said she was surprised

as she had thought it might just be her and a few of her friends.

Protestors raised a variety of concerns, from the treatment of Greenland to the loss of veteran benefits. Signs referred to the recent stock market crashes, defunding of scientific research, and fears that Trump will cut SNAP, Medicare, and Medicaid, and ignore the Missing and Murdered Indigenous People crisis. Several signs were against Project

Josie Bourdon and Mary David held a sign painted with a Greenlandic flag which read "Trump, Sugunai Kalaallit Nunaat," or "Trump Leave Greenland Alone.

"They eat seal, muktuk, fish, just like us. The flora, the fauna is the same like here in Nome," said Bourdon, who said she listens to Green-

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Bering Strait highlighted in Arctic security presentation

By Anna Lionas

Speaking to state senators last week, Mike Sfraga, the former U.S. Ambassador-at-Large for Arctic Affairs emphasized the importance of the Bering Strait region in domestic and foreign policy.

"I think we have an opportunity with the Port of Nome. If it's just a deep-water port and that's it, I think

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we have failed to realize the opportunities here for our state and, I think, frankly, for our nation," Sfraga told the Alaska Senate Special Committee on Arctic Affairs during his presentation.

Sfraga suggested the port expansion is just the beginning of what could become a "multi-use complex" in Nome, with a research center, space for U.S. Coast Guard vessels, a port of safe haven for fishing vessels and tourism.

Touting the region as the "Strategic Bering Strait," where Russian, Chinese and other foreign vessels traverse, Sfraga emphasized that a strong military presence is important, and that Nome has a great opportunity to build on existing resources and project U.S. leadership in technology and the economy.

'We have to keep our eyes on Russia, China and North Korea and anyone else that would threaten our sovereignty," Sfraga said during his April 3 presentation in Juneau.

Observing the possibilities is one thing, funding them is another, Sfraga said, admitting it's easy for him to discuss at length because he's not the one footing the bill.

"It's gonna take investment, it's gonna take discussions, it's gonna take planning," Sfraga told the Nugget later. "It's like anything else. Look at the ALCAN. Look at the pipeline.3

The reason Sfraga highlighted Nome is because of its existing infrastructure. No matter how small, he said it's important to build on what already exists rather than have many sites spread across an area.

The U.S. Army Corps of Engineers is currently accepting bids for Phase 1A of the port expansion project. The first phase was split into two parts after the original design received only one bid, which exceeded the allowed maximum cost.

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Photo by Anna Lionas

ARCTIC AFFAIRS— Former U.S. Arctic Ambassador Michael Sfraga spoke to the Senate Special Committee on Arctic Affairs last week. He explained how critical Alaska is for the U.S. as a global power in the Arctic and how the Port of Nome could play a strategic role in that.

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The Corps cancelled the solicitation last October to modify the project's first phase. The project was put on hold as the Corps went back to the drawing board and redesigned it at a cheaper cost, with a priority on beginning the process even if that meant starting at a smaller scale.

Sfraga's comments on the Port of Nome and the Bering Strait region were part of a larger presentation to the committee, an overview of the importance of the Arctic and the opportunities and challenges that poses for Alaska.

He discussed how Russian and Chinese vessels traversing the Bering and Chukchi seas are becoming more common, entering U.S. waters more than ever before.

"I like the idea of our state being a critical part of our homeland security and our national defense." Sfraga said.

A multi-agency approach is needed with Alaska at the table, Sfraga said, with any future U.S. foreign policy addressing the Arctic. Geographer and lifelong Alaskan, Sfraga was nominated to the ambassador position by President Joe Biden in 2022 and was confirmed by the U.S. Senate in September 2024.

Sen. Lisa Murkowski was an advocate for the creation of the Arctic ambassador position, which is tasked with leading and coordinating the advancement of U.S. interests in the Arctic and strengthening cooperation among Arctic nations.

"When I had the absolute honor as serving as a diplomat in this country, it was clear that when the United States walked in the room, everybody wanted to hear what we had to say," Sfraga said

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Sfraga stepped down from the position on Jan. 20, as is customary for ambassadors to do at the end of the administration who appointed them. Sfraga said the months he spent as the first Arctic ambassador for the U.S. was not as long as he would've liked.

There has been no announcement of a new appointment by the Trump administration.

"There's kind of a fire hose of

things happening in the world today, a lot of it pertaining to the Arctic, Greenland and with Canada. Hearing the talk of making them the 51st state, how does this impact the status of things in the Arctic?" Anchorage Sen. Bill Wilechowski asked at the state Senate committee hearing.

Sfraga said he thinks there are questions from allies about the strength of their partnerships with the U.S. right now.

"Whether it's Arctic or not Arctic, there's real questions, and we see them on the news, and we see them elsewhere, wondering where is the United States' foreign policy right now?" he said.

But he assured the committee that Alaska is known in the Arctic, with personal relationships that go back decades, ranging from state leadership to Indigenous populations. And those relationships are being maintained, regardless of what's happening in Washington, D.C.

"So I think Alaska does have a role, and it has a role on one side of the Arctic, and that is protectors, defenders"



Photo by Anna Lionas

ADVOCATING— Rep. Neal Foster (D-Nome) meets with Superintendent of Nome Schools Jamie Burgess, Nome-Beltz Principal Teriscovkya Smith and teacher Holly Harlow during the educators' trip to the Capitol last week, making their case for an increase in school funding.

School district blindly balances budget

By Anna Lionas

In less than a month Nome Public Schools will approve its budget for the 2025-2026 school year. The district is hoping for a funding increase from the state at a time as legislators are struggling to balance the state's budget.

Last week, representatives from Nome schools traveled to Juneau where they met with lawmakers and explained how no increase in funding would hurt the district, which already has whittled down its budget in recent years to avoid firing staff.

"We've been quiet cutting for so long, just trying to keep everything status quo," Superintendent Jamie Burgess said in a meeting with Rep. Neal Foster (D-Nome) on March 31.

Also present in the Capitol was Nome-Beltz Principal Teriscovkya Smith and teacher Holly Harlow. They met one-on-one with Foster, Sen. Donald Olson (D-Golovin) and Sen. Löki Tobin (D-Anchorage) as part of a statewide superintendents and administrators fly-in.

On Tuesday, Nome Public Schools presented the school board with its final draft budget for the 2025-2026 school year, budgeting a \$680 (or 11 percent) increase to the state's per-student base funding formula, which is uncertain until the legislature and governor finish their budget work.

Lawmakers are facing a deficit of several hundred million dollars, as state revenues fall short of covering existing spending, much less a larger increase in the school funding formula.

Even with the placeholder, the Nome district would have to take money out of reserves to fund a remaining deficit. The school board has made it clear they don't want to cut teaching positions.

Each school district has a different budget deadline. The City of Nome requires it by May 1, which is likely before the legislature will take final action on the state budget.

"I'm fairly confident we're going to get something. The question is, how much and when will we actually know what we're getting?" Burgess told the Nugget.

Foster told the visiting Nomeites that education has been a priority for many legislators this year. House and Senate leaders are relatively aligned to understand the need for more money for schools, however, the challenge is getting Gov. Mike Dun-

leavy to sign on.

Last year, Dunleavy vetoed a permanent increase to the per student funding formula – the Base Student Allocation, or BSA – which has not been significantly increased in a decade.

Districts instead received a onetime formula boost of \$680 per student; that number has returned this year as a possible increase option if the House-approved \$1,000 doesn't make it through.

Foster said it's been difficult to work with the governor, who has remained steadfast that more money alone won't fix Alaska's education system

The Alaska Council of School Administrators gave a presentation dur-

ing a joint House and Senate Education Hearing, stating a \$1,808 increase to the BSA was needed to keep up with inflation. No legislative leaders are pushing anything close to that large of an increase.

In an April 3 post on X, Dunleavy said the latest version of the funding-formula legislation working its way through the Senate falls short of education reforms families deserve, citing constraints on homeschool students and lack of policies to improve student achievement.

The \$1,000 increase is what Superintendent Burgess has her eyes on. If legislators and the governor approve that amount, Nome Public Schools wouldn't have to dip into district savings which are meant to go toward a long-planned housing project for teachers and local law enforcement

The lack of affordable housing is part of the problem in recruiting new teachers. Principal Smith explained to Rep. Foster that she has an open position for a high school English teacher she can't fill, because she can't ensure they'll have a place to live in the teacher dorms or their salary will be enough to rent or buy in town.

"Our children have increased mental, social, emotional needs and mental health needs. We don't have funding to bring in the staff that we need to help these kids. We can't even be competitive in what we can offer," Burgess told Foster.

Another major struggle, which contributes to reduced funding, is declining enrollment.

This school year alone 81 students have withdrawn from Nome Public Schools; 25 of those have dropped out. The district ended the 2024 school year with 669 students enrolled.

Burgess explained how the district offers multiple alternative options to traditional public school: A homeschool program, a charter school and hospitality program. They also recently approved an ANSEP acceleration program which would have highschoolers dually enrolled in college courses, and they're looking into creation of a tribal compact school.

"We've really tried to be responsive to what our community and our parents say that they desire," Burgess said.

But more funding is what would really make a difference in the budget.

In the worst-case scenario, if no additional state funding comes through, Nome Public Schools will be staring down to cut 11 teaching positions, almost 20 percent of the classified staff. With a formula increase of \$680, they can get by this time, but not for years to come.

"That's the reality of where we are," Burgess told the Nugget. "And you can only cut non-instructional costs so much, the building has to be heated."

Burgess said the district is advocating for the \$1,000 increase, and the group from Nome hammered this home during their meetings with



Photo by Anna Lionas

GET TO WORK-Representatives Chuck Kopp (R-Anchorage), Andy Josephson (D-Anchorage), Bryce Edgmon (I-Dillingham) and Louise Stutes (R-Kodiak) pack up following a press conference in speaker chambers on Tuesday April 8.

• PFD and school funding -

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to pass the committee.

Speaker of the House Bryce Edgmon (I-Dillingham) said it's a matter of working with the minority to "bridge the differences" on the PFD. He said he understands the perspectives of his fellow Bush caucus members, "but we can't get it done unless we sit down and work together, we simply can't."

Other options for balancing the budget are cuts in other spending areas, as suggested by the House minority.

Falling oil prices, however, are deepening the state budget gap, which is short hundreds of millions of dollars in revenue.

"We are in extraordinary circumstances with the price of oil and the stock market falling daily," Rep. Loise Stutes (R-Kodiak) said during the press meeting.

Increasing revenue is another option. A bill introduced in the Senate proposes increasing taxes on oil companies. Kopp opposes those measures. He said Tuesday he doesn't want to kill an "energy renaissance," referencing ConocoPhillips' North Slope Willow project and other potential oil projects proposed over the next few years.

For now, the goal is to have a balanced budget bill on the House floor by next week, though it's unclear how that will happen.

"Ladies and gentlemen, were all in a pickle. It's not just the House majority, it's the House minority, it's the governor, it's the Senate majority, it's the Senate minority. We all own the situation in front of us," Edgmon said.

This reporting from the State Capitol by Nugget reporter Anna Lionas is made possible by the Alaska Center for Excellence in Journalism's Legislative Reporter Exchange. Alaska news outlets, please contact diana@nomenugget.com to republish this story.

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