

July 8, 2019

The Honorable Cathy Giessel
President of the Senate
Alaska State Senate
State Capitol Room 111
Juneau AK, 99801

The Honorable Bryce Edgmon
Speaker of the House
Alaska House of Representatives
State Capitol Room 208
Juneau AK, 99801

Dear Senate President Giessel and House Speaker Edgmon:

As the president of the American Council of Education, the major coordinating body for the nation's colleges and universities, two-year and four-year, private and public, I write to strongly urge the Alaska State Legislature to override the governor's budget veto and change course on the proposed draconian cut to the state's public higher education system.

The evidence is indisputable: A college degree is the springboard to economic success and social mobility for millions of Americans. I understand that Alaska is grappling with tough decisions and weighing competing priorities. But gutting the state's universities is a short-term step in the wrong direction, one that would trigger a series of damaging long-term after-shocks to the state's social fabric and economic future.

Nationally, college graduates get higher-paying jobs, work more, and accumulate greater lifetime earnings, reports the College Board's [Education Pays 2016](#). For instance, the median earnings of bachelor's degree recipients with no advanced degree working full-time were 67 percent (\$24,600) greater in 2015 than those of high school graduates. The unemployment rate for those with just a high school diploma is double the rate for those with a bachelor's (5.4 percent versus 2.6 percent).

I realize that for a number of Alaska residents, jobs in industries such as oil and fishing that do not require a postsecondary education degree have paid well for many years. But the state's economy is not immune to the forces of globalization and technology that lead experts to estimate that by 2020, 65 percent of all jobs nationwide will require some form of higher education degree or credential.

As you know, the state's attainment rate is well below that right now. These proposed budget cuts will mean losing talented faculty and staff, eliminating programs, and not having the capacity to maintain the technology and resources required to do cutting-edge research and train the workers of tomorrow.

Like all state university systems, Alaska's specializes in research and education in areas unique to its state's needs, such as, in your case, fisheries, mining, petroleum, and natural-resource development, just to name a few. All of those programs will suffer if these cuts are made.

The result is entirely predictable: less affordable public higher education and a deep and devastating brain drain.

Students that can leave to attend colleges and universities out-of-state will do so, and most likely will not return. The students who do attend Alaska state universities will be attending schools with far fewer resources and far less ability to ensure that they receive the high-quality education they deserve and need. Alaska is also different than many states in that there are very few private college options in your state, so such shattering cuts to public higher education in Alaska will reverberate even more profoundly.

I am sure you are aware of the important economic impact public higher education has on the Alaska economy. As an economic impact report by the McDowell Group summarized, the Alaska system generated \$1.1 billion in economic activity in FY 2015, far outstripping the amount of state spending on public higher education. The system is one of the largest employers in the state, with the McDowell report calculating that when all jobs indirectly and directly linked to the university are considered, the University of Alaska supported 15,740 jobs in 2015, totaling annual wages of \$630 million.

The problem of state disinvestment from public higher education has become a national problem over the past few decades, to be sure, exacerbated by the Great Recession. But the cuts that Alaska is facing are of a virtually unprecedented nature in their severity.

As I said at the outset, I understand and empathize with the difficult decisions and challenging choices you face as you weigh whether to override the governor's budget veto. But a 41 percent cut to Alaska higher education is the wrong decision, one that would send a message nationally that the state is effectively turning its back on higher education and that would lead only to a deep dive to the bottom for Alaska residents that would take many years to climb out of.

Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "Ted Mitchell". The signature is fluid and cursive, with the first name "Ted" being more prominent.

Ted Mitchell
President

Cc:

Alaska State Legislature
James R. Johnsen, president, University of Alaska
Cathy Sandeen, chancellor, University of Alaska Anchorage
Daniel M. White, chancellor, University of Alaska Fairbanks

Richard A. Caulfield, chancellor, University of Alaska Southeast
John Davies, chair, University of Alaska Board of Regents