




## EDUCATION

## Rural Alaska schools face funding shortfall after U.S. House fails to pass bipartisan bill

Districts face budget shortfalls with the failure of the Secure Rural Schools and Community Self-Determination Act funding, aimed at schools located near federal lands

BY: **CORINNE SMITH** - JANUARY 10, 2025 7:46 PM



 The Stikine River Flats area in the Tongass National Forest viewed by helicopter. The nearby community of Wrangell has received federal funding, through the Secure Rural Schools Act program, designed to assist communities impacted by the declining timber industry. (Photo by Alicia Stearns/U.S. Forest Service)

Rural schools, mostly in Southeast Alaska, are facing a major funding shortfall this year after the U.S. House of Representatives failed to reauthorize a bill aimed at funding communities alongside national forests and lands.

The bipartisan [Secure Rural Schools and Community Self-Determination Act](#) was first passed in 2000, and enacted to assist communities impacted by the declining timber industry. It provided

funds for schools, as well as for roads, emergency services and wildfire prevention. The award [varies each year](#) depending on federal land use and revenues. The legislation is intended to help communities located near federal forests and lands pay for essential services. [In 2023](#), the law awarded over \$250 million nationwide, and over \$12.6 million to Alaska.

But this year, the bill passed the Senate, but stalled in the House of Representatives amid partisan negotiations around the [stopgap spending bill](#) to keep the government open until March. House Republicans decided not to vote on the bill amid a dispute around health care funding, a spokesperson for the bill's sponsor, Oregon Sen. Ron Wyden, told the Oregon Capital Chronicle, [which first reported the story](#).

Eleven boroughs, as well as unincorporated areas, in the Tongass and Chugach national forests have typically received this funding, awarded through local municipalities. According to 2023 [U.S. Forest Service data](#), some of the districts who received the largest awards, and now face that shortfall, include Ketchikan, Wrangell, Petersburg, Sitka and Yakutat, as well as the unincorporated areas.

“We’re already at our bottom,” said Superintendent Carol Pate of the Yakutat School District, which received over \$700,000 in funding, one of the largest budget sources for its 81 students.

“We are already down to one administrator with six certified teachers,” Pate said in a phone interview Thursday. “We have a small CTE (career and technical education) program. We don’t have any art, we don’t have any music. We have limited travel. Anything that we lose means we lose instruction, and our goal is for the success of our students.”

Yakutat is facing a \$126,000 deficit this year, a large sum for their \$2.3 million budget, Pate said. “So that’s a pretty significant deficit for us. We do our best to be very conservative during the school year to make up that deficit. So wherever we can save money, we do.”

The school has strong support from the borough, Pate said. However, last year they were forced to cut funding for one teacher and a significant blow for the school, she said.

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– Carol Pate, Yakutat school superintendent

“We’re trying very hard to break the cycle, but it’s a continuing cycle,” she said. “Every time we lose something, we lose kids because of it, and the more kids we lose, the more programs we lose.”

In the southern Tongass National Forest community of Wrangell, the school district received over \$1 million in funds last year, and Superintendent Bill Burr said the federal funding loss is dramatic.

“It’s pretty devastating from a community standpoint,” Burr said in a phone interview. “Because that is very connected to the amount of local contribution that we get from our local borough, it has a dramatic effect on the school district, so I’m disappointed.”

“As these cuts continue to happen, there’s less and less that we’re able to do,” he said. “School districts are cut pretty much as thin as they can. So when these things happen, with no real explanation, the impact for districts that do receive secure schools funding is even more dramatic.”

Whether and how the funding loss will impact the district has yet to be determined, as budgets for next year are still in development, Burr said, but it could mean cuts to matching state grants, facilities projects, or staff salaries. He said most non-state money for the district comes from the federal program.

“Part of our funding does come from sales tax, but a majority of it comes from the secure rural schools (grant),” he said. “So without increases in other areas, the amount of money that can come to the schools is going to be injured.”

“We do have contracts, and a majority of our money is paid in personnel. So we would have those contracts to fill, regardless of the funding, until the end of the year. A major reduction really will affect our ability to provide school services and personnel, so it could have a massive impact on next year’s, the fiscal ‘26 year, budget,” he said.

The district is facing an over **\$500,000 budget deficit** this year, Burr said, and so the loss puts further pressure on the district.

“So we’re continuing to find areas that we can cut back but still provide the same service. But that’s getting harder and harder,” he said.

The schools in unincorporated areas known as regional educational attendance areas, received **over \$6 million** in funding through the program.

Alaska Sens. Lisa Murkowski and Dan Sullivan supported the bill through the Senate.

Murkowski was disappointed that the bill was not reauthorized, a spokesperson for the senator said.

“As a longtime advocate for this program, she recognizes its critical role in funding schools and essential services in rural communities,” said Joe Plesha, in a text Friday. “She is actively working to ensure its renewal so that states like Alaska are not disadvantaged.”

Former Alaska Rep. Mary Peltola also supported the funding.

Alaska’s school funding formula is complex, and takes into account the local tax base, municipalities’ ability to fund schools, and other factors. With the loss of funding for the local borough’s portion, whether the Legislature will increase funding on the state’s side is to be determined.

The Department of Education and Early Development did not respond to requests for comment on Friday.

Superintendents Burr and Pate described hope for the upcoming legislative session, and an increase in per-pupil spending. “The loss of secure rural schools funding makes it even more difficult to continue with the static funding that education in the state has received,” Burr said.

“I really have high hopes for this legislative season. I think that the people that we’ve elected recognize the need to put funding towards education,” Pate said.

The funding could be restored, if the legislation is reintroduced and passed by Congress. Both Oregon Democratic Sen. Wyden and Idaho Republican Sen. Mike Crapo have said they support passing the funding this year.



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