



SB 277 – Education: Correspondence Students/BSA/Teachers

Sectional Analysis – Version A

Section 1 – Amends AS 14.03.260 by adjusting the indirect administrative rate for charter school operations and support charged by a school district from 4% to 8%.

Section 2 – Inserts a new subsection under AS 14.03.300 that permits a student enrolled in a public correspondence program to retain any textbooks, equipment, or materials purchased with public funds, including materials purchased through an annual student allotment.

Section 3 – Amends pupil transportation funds for each school district by approximately 6.5%, which is the average change in the consumer price index for motor fuels from December 2024 to December 2025.

Section 4 – Amends AS 14.14.110 to require a cooperative agreement between school districts when a student physically resides in one school district but participates in a public correspondence program in another district. The cooperative agreement must include an indirect administrative rate of up to 8% as well as any costs incurred for providing special education services to students, in-person classes, career or technical education course fees, or fees for extracurricular activities.

Section 5 – Adjusts the factorial included in the school foundation formula for correspondence students from 0.9 to 1.0 of the Average Daily Membership (ADM).

Section 6 – Inflation adjusts the Base Student Allocation (BSA) based on the average change in the total consumer price index (1.9%). This will result in a BSA increase of \$126.54 per student.



ALASKA STATE LEGISLATURE

Senator Löki Gale Tobin
Education Committee Chair

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Section 7 – Adds a new subsection under AS 14.17.500 and provides conforming changes in alignment with Section 4 by directing a student who wishes to attend a public correspondence program to enroll in their physical school district.

Sections 8, 9, and 10 – Provide conforming changes by removing the no longer applicable language of a regional accrediting facility. Federal changes to post-secondary accrediting facilities struck “regional” and replaced the language with “institutional”.

Sections 11-16 – Amends AS 14.20.136 and AS 14.25.043 to allow a regional resource center to hire retired educators.

Section 17 – Rewards improving and proficient readers in grades kindergarten through sixth grade with at least \$450 per student.

Section 18 – Authorizes the Legislative Budget and Audit Committee to commission a research-based study of public school funding and a review of the current public school funding formula.

Section 19 – Adds applicability language for contracts made after the enactment of this legislation for retired educator hires for regional resource centers.

Section 20 – Establishes an immediate effective date.

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