



# ALASKA STATE LEGISLATURE

## SENATE EDUCATION COMMITTEE

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## SB 278 Local Contributions by School Districts

### Sponsor Statement

#### Rational and Predictable Local Education Investment

Alaska's mandatory local contribution requirement for K-12 public education depends on a partnership between the state and local municipalities. That partnership only works when it is fair, predictable, and grounded in reality. Today, that system is broken.

Last year, the Legislature passed a "historic" BSA increase. However, many districts saw a large reduction in their state funding because of how the BSA formula factors in locally assessed property values into how much the State government will contribute to local education.

The current formula for required local contributions places uneven burdens on communities with a property tax base. Some are pushed to their limits. Others face uncertainty that makes long-term planning nearly impossible. When the system lacks balance, it's not just budgets that suffer. Our students are paying the price.

Senate Bill 278 restores balance and a commonsense flow of financial responsibility. This bill modernizes how required local contributions are calculated, ensuring they are reasonable, consistent, and aligned with a community's actual ability to pay. The legislation limits the increase of the required local contribution to no more than 2 percent per year. It's predictable and stable.

School districts cannot plan, hire, or deliver results when funding expectations shift unpredictably. Communities cannot sustain support for our schools when the rules feel arbitrary. This bill creates a clearer, more dependable framework. A framework that respects both taxpayers and the students we serve.

SB 278 lays out a rational basis for financial participation in school funding by local governments. It is about asking what is fair. Fair to communities doing their best with limited resources. Fair to taxpayers who expect accountability. And fair to students who deserve a stable, high-quality education.

At its core, SB 278 strengthens the foundation of Alaska's education system by reinforcing the partnership it depends on.

Balanced. Predictable. Sustainable.

I urge your support of SB 278.