

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: SB 66
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB066-EED-PEF-04-16-26
Title: STATE-TRIBAL EDUCATION COMPACTS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: (S) Education

Department: Fund Capitalization
Appropriation: No Further Appropriation Required
Allocation: Public Education Fund
OMB Component Number: 2804

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2027	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2027 Request	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
OPERATING EXPENDITURES	FY 2027	FY 2027						
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits	19,238.6		13,277.9	13,277.9	13,277.9	13,277.9	13,277.9	13,277.9
Miscellaneous								
Total Operating	19,238.6	0.0	13,277.9	13,277.9	13,277.9	13,277.9	13,277.9	13,277.9

Fund Source (Operating Only)

1004 Gen Fund (UGF)	19,238.6		13,277.9	13,277.9	13,277.9	13,277.9	13,277.9	13,277.9
Total	19,238.6	0.0	13,277.9	13,277.9	13,277.9	13,277.9	13,277.9	13,277.9

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/27

Why this fiscal note differs from previous version/comments:

Updated to the SLA2026 template with adjustment to include statutory Base Student Allocation (BSA) increase.
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Prepared By: Heather Heineken, Division Director	Phone: (907)269-6889
Division: Finance and Support Services	Date: 04/14/2026
Approved By: Dawn Hannasch, Administrative Services Director	Date: 04/16/2026
Agency: Department of Education and Early Development	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. SB066

Analysis

This bill establishes demonstration state-tribal education compacts and authorizes the commissioner of the Department of Education and Early Development (DEED) to enter into compacts with participating Tribes for a period of five years. The compacts must take effect on or before June 30, 2028.

A demonstration state-tribal education compact school, also referred to as a Tribally Compacted Public Schools (TCPS), must operate in accordance with the terms of its compact. Through this bill, Tribes would have the opportunity to function like a local educational agency, granting them greater flexibility and authority over curriculum design, teacher certification, hiring practices, school calendars, and community engagement.

A TCPS would be funded based on the foundation formula under AS 14.17.410, using the same student count period, formula multipliers, and considerations as a regional educational attendance area school district that does not have a local contribution. Since a TCPS do not have an identified district cost factor, the district cost factor of the associated district for the TCPS' community would be used.

Five tribes are interested in participating in a pilot program. The projected average daily membership (ADM) is based on applications submitted to the DEED during the negotiation process with Tribal partners for the development of a demonstration state-tribal education compact to establish demonstration state-tribal education compact schools as required under SB 34 (Chapter 43, SLA2022).

Central Council of the Tlingit & Haida Indian Tribes of Alaska- Juneau School District - projected 100 ADM
Ketchikan Indian Community - Ketchikan Gateway Borough School District - projected 200 ADM
King Island Native Community and Village of Solomon - Nome Public Schools - projected 120 ADM
Knik Tribe - Mat-Su Borough School District - projected 300 ADM and 300 correspondence ADM
Qargi Academy - North Slope Borough School District - projected 100 ADM

In addition to the foundation formula funding, to start the initial pilot of the TCPS, Tribes would need to have start-up funds. A TCPS would receive a one-time start-up grant the first year the school operates in the amount of 45 percent of the base student allocation (BSA) for the initial year of the TCPS' adjusted average daily membership (AADM). The BSA for FY2027 is \$6,660.

Pupil transportation grants under AS 14.09 would be based on a per-pupil amount by district. There is no projected change based on this bill, as any grant to a TCPS is anticipated to be offset directly by a decrease in grant funds to the associated district due to a potential transfer of students.

Due to the indeterminate effects of potential ADM reductions across the individual school size adjustment factors and hold harmless provision, the fiscal impact to an associated school district cannot be determined and is not reflected in this fiscal note. In addition, the actual foundation formula funding for each TCPS will not be known until after the student count period in October 2027.

This fiscal note includes the one-time (FY2027) start up grants estimated to be \$5,960.7 and the projected foundation formula funding under AS 14.17 estimated to be \$13,277.9, for a total estimated cost in FY2027 of \$19,238.6.

Attached to this fiscal note is a breakdown of the increase in funding by TCPS.

This bill takes effect immediately under AS 01.10.070(c).

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. SB066

Analysis

Department of Education and Early Development		Prepared by School Finance	
Prepared 02/18/2026			
FY2027 Projection			
Tribally Compacted Public School	One-time Start-up Grant on Projected AADM	Projected FY2027 Foundation	Total Projected FY2027 Funding
Central Council of the Tlingit & Haida Indian Tribes of Alaska	\$ 646.2	\$ 1,439.4	\$ 2,085.6
Ketchikan Indian Community	1,162.1	2,588.7	3,750.8
King Island Native Community and Village of Solomon	952.8	2,122.3	3,075.1
Knik Tribe	2,188.9	4,876.0	7,064.9
Qargi Academy	1,010.7	2,251.5	3,262.2
Total	\$ 5,960.7	\$ 13,277.9	\$ 19,238.6

AADM = Adjusted Average Daily Membership
(\$ in thousands)