



Mayor Suzanne LaFrance
Municipality of Anchorage

April 30, 2026

RE: Support for Senate Bill 278

Dear Members of the Alaska State Legislature,

I write in strong support of Senate Bill 278 and respectfully urge your passage of this important legislation to restore fairness, predictability, and sustainability to Alaska's K-12 public education funding partnership.

While last year's Base Student Allocation increase was significant, school districts like the Anchorage School District saw reductions in state support because of how local property values are factored into the formula. This imbalance has strained municipalities and undermined the stable partnership our education system depends on.

In Anchorage, this funding problem is exacerbated by the interaction of the Required Local Contribution (RLC) and our tax cap. While the RLC increases with property values, property taxes are capped. In FY27, DEED expects Anchorage's RLC to increase by \$11.2 million. To afford this, we may be forced to cut essential municipal services like police response, fire service, or street maintenance.

In addition, the Municipal tax cap and rising RLC will make it difficult to meet our maximum voluntary local contribution. This means less money for our schools.

SB 278 offers a practical solution. By modernizing the required local contribution formula and limiting annual increases to no more than two percent, this bill creates a more predictable and sustainable framework for both local governments and school districts.

For municipalities, this legislation provides a clearer path forward. When local governments are asked to absorb unpredictable or disproportionate increases, it becomes harder to meet the broader needs of our residents while maintaining strong schools.

I appreciate Senator Bjorkman's leadership in advancing this commonsense reform. SB 278 reinforces the state-local partnership our education system requires by ensuring it is balanced, predictable, and sustainable.

I urge you to support Senate Bill 278.

Sincerely,



Mayor Suzanne LaFrance
Municipality of Anchorage

A handwritten signature in black ink, appearing to read "Suzanne LaFrance".

Suzanne LaFrance, Mayor
Municipality of Anchorage