



May 7, 2026

The Honorable Senator Löki Gale Tobin
Chair Senate Education Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801

RE: NEA-Alaska Support for SB 278

Dear Chair Tobin and Members of the Committee,

On behalf of the members of NEA-Alaska, I am writing to express our support for Senate Bill 278. This is vital legislation to stabilize the state-local funding partnership that sustains our public schools.

For years, Alaska's educators and school districts have faced a challenge, where modest increases in the Base Student Allocation (BSA) are frequently eroded by the shifting mechanics of the Required Local Contribution (RLC). As property values fluctuate, the current formula often forces an increased and untenable financial burden on our local communities.

This creates a zero-sum game forcing municipalities to choose between providing essential municipal services or fully funding public education to a rising cap. Local governments are put in an impossible situation with limited resources, placing ever-increasing tax burdens on property owners, as the State shifts its constitutional obligation to provide a quality public education to all students.

The current RLC formula places inequitable financial strains on only some municipalities and school districts, creating chronic shortfalls as local governments struggle to support their communities by prioritizing either fully funding public education or fully maintaining core public services such as police, fire protection, roads, and public safety.

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Senate Bill 278 addresses this instability through two critical reforms:

- **Predictable Local Contributions:** By modernizing the RLC formula and capping annual increases at two percent, the bill ensures that school funding remains predictable. This allows districts to engage in long-term planning for staffing, programs, and student support without the fear of sudden local funding shifts.
- **Strengthening the Funding Partnership:** As highlighted by municipal leaders from Anchorage, Fairbanks, the Mat Su, the Kenai Peninsula, and the Alaska Municipal League the current reliance on "full and true value" determinations high rate of cost shifting from the State to municipal government ignores local economic realities and tax caps. SB 278 respects local control by ensuring that state mandates do not outpace the ability of our communities to support their schools.

And we believe that SB 278 does no harm. Our highest priorities are student learning and equity. Our analysis of SB 278 does not find any harm or diminishment to students, educators, or school districts.

When local governments are forced to choose between funding a classroom or maintaining a fire station, the stability of our entire community is compromised. Our students deserve a funding framework that is balanced, sustainable, and insulated from the volatility of property assessments.

SB 278 is a commonsense solution that protects the integrity of our education system while providing much-needed relief to Alaska's taxpayers and municipalities. We respectfully urge your support and swift passage of this legislation.

Sincerely,

Laura Capelle, President, NEA-Alaska