

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version: HB 69
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB069-EED-PEF-1-31-25
Title: EDUCATION FUNDING: INCREASE BSA
Sponsor: HIMSCHOOT
Requester: (H) 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)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	325,616.8		173,949.2	144,577.9	51,653.0	55,197.9	56,463.9
Miscellaneous							
Total Operating	325,616.8	0.0	173,949.2	144,577.9	51,653.0	55,197.9	56,463.9

Fund Source (Operating Only)

1004 Gen Fund (UGF)	325,616.8		173,949.2	144,577.9	51,653.0	55,197.9	56,463.9
Total	325,616.8	0.0	173,949.2	144,577.9	51,653.0	55,197.9	56,463.9

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

Estimated SUPPLEMENTAL (FY2025) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2026) 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? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Initial version, not applicable.

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Division: Finance and Support Services
Approved By: Karen Morrison, Deputy Commissioner
Agency: Department of Education and Early Development

Phone: (907)269-6889
Date: 01/31/2025
Date: 01/31/25

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. HB69

Analysis

This bill increases the base student allocation (BSA) in AS 14.17.470 annually for inflation, with additional fixed increases in FY2026, FY2027, and FY2028.

FY2026: \$5,960 Prior Year BSA x 4.8% Average of 2021, 2022, 2023 CPI + \$1,000 flat rate increase = \$7,246 FY2026 BSA.
Total FY2026 impact \$325,616.8 (thousands)

FY2027: \$7,246 Prior Year BSA x 3.9% Average of 2022, 2023, 2024 CPI + \$404 flat rate increase = \$7,933 FY2027 BSA.
Total FY2027 impact from FY2026: \$173,949.2 (thousands)

FY2028: \$7,933 Prior Year BSA x 2.1% Average of 2023, 2024, 2025 CPI + \$404 flat rate increase = \$8,504 FY2028 BSA.
Total FY2028 impact from FY2027: \$144,577.9 (thousands)

FY2029: \$8,504 Prior Year BSA x 2.4% Average of 2024, 2025, 2026 CPI = \$8,708 FY2029 BSA. Total FY2029 impact from FY2028: \$51,653.0 (thousands)

FY2030: \$8,708 Prior Year BSA x 2.5% Average of 2025, 2026, 2027 CPI = \$8,926 FY2030 BSA. Total FY2030 impact from FY2029: \$55,197.9 (thousands)

FY2031: \$8,926 Prior Year BSA x 2.5% Average of 2026, 2027, 2028 CPI = \$9,149 FY2031 BSA. Total FY2031 impact from FY2030: \$56,463.9 (thousands)

Urban Alaska CPI		
Year	Urban Alaska CPI	Avg. Prior 3 CPI
2019	1.4%	--
2020	-1.1%	--
2021	4.9%	1.7%
2022	8.1%	4.0%
2023	1.5%	4.8%
2024	2.2%	3.9%
Proj. 2025	2.5%	2.1%
Proj. 2026	2.5%	2.4%
Proj. 2027	2.5%	2.5%
Proj. 2028	2.5%	2.5%
Proj. 2029	2.5%	2.5%
Proj. 2030	2.5%	2.5%
Proj. 2031	2.5%	2.5%

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. HB69

Analysis

School District	FY2026 Proj TOTAL STATE ENTITLEMENT	Proposed FY26 TOTAL STATE ENTITLEMENT	Proposed FY26 Cost to State	Proposed FY27 TOTAL STATE ENTITLEMENT	Proposed FY27 Cost to State	Proposed FY28 TOTAL STATE ENTITLEMENT	Proposed FY28 Cost to State
Alaska Gateway	\$ 8,775,778	\$ 10,745,789	\$ 1,970,011	\$ 11,798,197	\$ 1,052,408	\$ 12,672,907	\$ 874,710
Aleutian Region	705,835	872,899	167,064	962,147	89,248	1,036,326	74,179
Aleutians East Borough	3,149,763	4,155,145	1,005,382	4,692,235	537,090	5,138,637	446,402
Anchorage	287,101,121	377,786,099	90,684,978	426,231,340	48,445,241	466,496,598	40,265,258
Annette Island	817,081	1,997,141	1,180,060	2,627,545	630,404	3,151,506	523,961
Bering Strait	27,454,199	36,107,205	8,653,006	40,729,766	4,622,561	44,571,808	3,842,042
Bristol Bay Borough	1,508,726	2,023,924	515,198	2,299,149	275,225	2,527,903	228,754
Chatham	3,661,576	4,463,564	801,988	4,891,998	428,434	5,248,091	356,093
Chugach	5,082,257	6,213,230	1,130,973	6,817,412	604,182	7,319,578	502,166
Copper River	5,912,387	7,233,392	1,321,005	7,939,092	705,700	8,525,635	586,543
Cordova	4,512,618	5,734,563	1,221,945	6,387,343	652,780	6,929,902	542,559
Craig	5,248,876	6,501,826	1,252,950	7,171,170	669,344	7,727,495	556,325
Delta/Greely	10,455,283	12,742,743	2,287,460	13,964,737	1,221,994	14,980,398	1,015,661
Denali Borough	6,638,654	8,307,934	1,669,280	9,199,687	891,753	9,940,868	741,181
Dillingham	4,783,543	6,039,515	1,255,972	6,710,473	670,958	7,268,141	557,668
Fairbanks N. Star Borough	89,030,029	118,848,691	29,818,662	134,778,257	15,929,566	148,018,114	13,239,857
Galena	43,503,138	52,891,054	9,387,916	57,906,216	5,015,162	62,074,567	4,168,351
Haines Borough	2,588,682	3,460,397	871,715	3,926,080	465,683	4,313,132	387,052
Hoonah	2,628,697	3,255,095	626,398	3,589,726	334,631	3,867,854	278,128
Hydaburg	1,439,041	1,758,214	319,173	1,928,720	170,506	2,070,437	141,717
Iditarod Area	5,699,785	7,086,620	1,386,835	7,827,488	740,868	8,443,260	615,772
Juneau Borough	27,577,548	37,804,965	10,227,417	43,268,600	5,463,635	47,809,701	4,541,101
Kake	2,245,526	2,787,845	542,319	3,077,559	289,714	3,318,356	240,797
Kashunamiut	3,730,303	5,093,437	1,363,134	5,821,643	728,206	6,426,892	605,249
Kenai Peninsula Borough	64,565,229	86,106,848	21,541,619	97,614,696	11,507,848	107,179,442	9,564,746
Ketchikan Gateway Borough	23,768,404	30,220,536	6,452,132	33,667,359	3,446,823	36,532,186	2,864,827
Klawock	1,748,752	2,309,114	560,362	2,608,467	299,353	2,857,275	248,808
Kodiak Island Borough	23,524,518	30,292,402	6,767,884	33,907,904	3,615,502	36,912,929	3,005,025
Kuspuk	5,246,363	6,883,441	1,637,078	7,757,992	874,551	8,484,875	726,883
Lake & Peninsula Borough	8,177,766	10,069,253	1,891,487	11,079,713	1,010,460	11,919,557	839,844
Lower Kuskokwim	59,023,306	75,415,936	16,392,630	84,173,118	8,757,182	91,451,649	7,278,531
Lower Yukon	38,175,491	47,870,054	9,694,563	53,049,031	5,178,977	57,353,537	4,304,506
Mat-Su Borough	162,033,257	207,588,624	45,555,367	231,924,967	24,336,343	252,152,116	20,227,149
Nenana	13,919,356	16,934,421	3,015,065	18,545,113	1,610,692	19,883,840	1,338,727
Nome	8,816,612	11,026,423	2,209,811	12,206,936	1,180,513	13,188,119	981,183
North Slope Borough	17,131,633	24,425,092	7,293,459	28,321,364	3,896,272	31,559,751	3,238,387
Northwest Arctic Borough	36,300,234	44,773,933	8,473,699	49,300,706	4,526,773	53,063,134	3,762,428
Pelican	365,663	457,278	91,615	506,220	48,942	546,898	40,678
Petersburg	5,905,392	7,521,856	1,616,464	8,385,394	863,538	9,103,124	717,730
Pribilof	962,208	1,277,612	315,404	1,446,106	168,494	1,586,149	140,043
Saint Mary's	3,548,552	4,332,240	783,688	4,750,898	418,658	5,098,866	347,968
Sitka Borough	10,675,059	13,875,244	3,200,185	15,584,830	1,709,586	17,005,752	1,420,922
Skagway	1,124,783	1,588,669	463,886	1,836,484	247,815	2,042,455	205,971
Southeast Island	4,629,488	5,625,726	996,238	6,157,931	532,205	6,600,274	442,343
Southwest Region	9,108,504	11,989,260	2,880,756	13,528,202	1,538,942	14,807,293	1,279,091
Unalaska	3,229,972	4,465,613	1,235,641	5,125,710	660,097	5,674,349	548,639
Valdez	4,471,191	6,294,443	1,823,252	7,268,451	974,008	8,077,998	809,547
Wrangell	2,831,469	3,631,438	799,969	4,058,793	427,355	4,413,989	355,196
Yakutat	1,116,253	1,426,899	310,646	1,592,850	165,951	1,730,781	137,931
Yukon Flats	4,742,451	6,057,206	1,314,755	6,759,567	702,361	7,343,334	583,767
Yukon/Koyukuk	24,348,790	29,724,065	5,375,275	32,595,615	2,871,550	34,982,303	2,386,688
Yupit	7,885,398	10,239,819	2,354,421	11,497,586	1,257,767	12,542,978	1,045,392
Mt. Edgecumbe High School	2,650,169	3,558,728	908,559	4,044,094	485,366	4,447,505	403,411
TOTAL	\$ 1,104,276,709	\$ 1,429,893,460	\$ 325,616,751	\$ 1,603,842,677	\$ 173,949,217	\$ 1,748,420,564	\$ 144,577,887

(Revised 9/6/24 OMB/LFD)

Page 3 of 4

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. HB69

Analysis

School District	Proposed FY29 TOTAL STATE ENTITLEMENT	Proposed FY29 Cost to State	Proposed FY30 TOTAL STATE ENTITLEMENT	Proposed FY30 Cost to State	Proposed FY31 TOTAL STATE ENTITLEMENT	Proposed FY31 Cost to State
Alaska Gateway	\$ 12,985,412	\$ 312,505	\$ 13,319,364	\$ 333,952	\$ 13,660,976	\$ 341,612
Aleutian Region	1,062,827	26,501	1,091,148	28,321	1,120,118	28,970
Aleutians East Borough	5,298,122	159,485	5,468,553	170,431	5,642,892	174,339
Anchorage	480,882,085	14,385,487	496,254,810	15,372,725	511,980,121	15,725,311
Annette Island	3,338,701	187,195	3,538,742	200,041	3,743,371	204,629
Bering Strait	45,944,447	1,372,639	47,411,286	1,466,839	48,911,768	1,500,482
Bristol Bay Borough	2,609,630	81,727	2,696,965	87,335	2,786,303	89,338
Chatham	5,375,311	127,220	5,511,262	135,951	5,650,332	139,070
Chugach	7,498,986	179,408	7,690,706	191,720	7,886,823	196,117
Copper River	8,735,188	209,553	8,959,122	223,934	9,188,192	229,070
Cordova	7,123,741	193,839	7,330,882	207,141	7,542,774	211,892
Craig	7,926,252	198,757	8,138,650	212,398	8,355,919	217,269
Delta/Greely	15,343,261	362,863	15,731,026	387,765	16,127,685	396,659
Denali Borough	10,205,668	264,800	10,488,641	282,973	10,778,104	289,463
Dillingham	7,467,377	199,236	7,680,287	212,910	7,898,080	217,793
Fairbanks N. Star Borough	152,748,290	4,730,176	157,803,087	5,054,797	162,973,819	5,170,732
Galena	63,563,786	1,489,219	65,155,205	1,591,419	66,783,125	1,627,920
Haines Borough	4,451,414	138,282	4,599,185	147,771	4,750,346	151,161
Hoonah	3,967,221	99,367	4,073,406	106,185	4,182,027	108,621
Hydaburg	2,121,068	50,631	2,175,173	54,105	2,230,519	55,346
Iditarod Area	8,663,255	219,995	8,898,349	235,094	9,138,834	240,485
Juneau Borough	49,432,090	1,622,389	51,165,820	1,733,730	52,939,315	1,773,495
Kake	3,404,385	86,029	3,496,317	91,932	3,590,359	94,042
Kashunamiut	6,643,128	216,236	6,874,203	231,075	7,110,579	236,376
Kenai Peninsula Borough	110,596,620	3,417,178	114,248,310	3,651,690	117,983,754	3,735,444
Ketchikan Gateway Borough	37,555,697	1,023,511	38,649,448	1,093,751	39,768,286	1,118,838
Klawock	2,946,166	88,891	3,041,157	94,991	3,138,327	97,170
Kodiak Island Borough	37,986,528	1,073,599	39,133,805	1,147,277	40,307,396	1,173,591
Kuspuk	8,744,567	259,692	9,022,081	277,514	9,305,960	283,879
Lake & Peninsula Borough	12,219,607	300,050	12,540,248	320,641	12,868,243	327,995
Lower Kuskokwim	94,052,035	2,600,386	96,830,879	2,778,844	99,673,458	2,842,579
Lower Yukon	58,891,399	1,537,862	60,534,801	1,643,402	62,215,895	1,681,094
Mat-Su Borough	259,378,629	7,226,513	267,101,078	7,722,449	275,000,648	7,899,570
Nenana	20,362,124	478,284	20,873,232	511,108	21,396,062	522,830
Nome	13,538,665	350,546	13,913,267	374,602	14,296,462	383,195
North Slope Borough	32,716,722	1,156,971	33,953,094	1,236,372	35,217,823	1,264,729
Northwest Arctic Borough	54,407,329	1,344,195	55,843,772	1,436,443	57,313,161	1,469,389
Pelican	561,431	14,533	576,961	15,530	592,848	15,887
Petersburg	9,359,546	256,422	9,633,565	274,019	9,913,870	280,305
Pribilof	1,636,182	50,033	1,689,649	53,467	1,744,342	54,693
Saint Mary's	5,223,183	124,317	5,356,032	132,849	5,491,929	135,897
Sitka Borough	17,513,402	507,650	18,055,890	542,488	18,610,822	554,932
Skagway	2,116,042	73,587	2,194,679	78,637	2,275,119	80,440
Southeast Island	6,758,308	158,034	6,927,189	168,881	7,099,942	172,753
Southwest Region	15,264,272	456,979	15,752,611	488,339	16,252,151	499,540
Unalaska	5,870,361	196,012	6,079,824	209,463	6,294,091	214,267
Valdez	8,367,223	289,225	8,676,297	309,074	8,992,460	316,163
Wrangell	4,540,889	126,900	4,676,499	135,610	4,815,218	138,719
Yakutat	1,780,059	49,278	1,832,720	52,661	1,886,587	53,867
Yukon Flats	7,551,896	208,562	7,774,770	222,874	8,002,757	227,987
Yukon/Koyukuk	35,834,991	852,688	36,746,196	911,205	37,678,300	932,104
Yupit	12,916,463	373,485	13,315,580	399,117	13,723,851	408,271
Mt. Edgecumbe High School	4,591,631	144,126	4,745,648	154,017	4,903,198	157,550
TOTAL	\$ 1,800,073,612	\$ 51,653,048	\$ 1,855,271,471	\$ 55,197,859	\$ 1,911,735,341	\$ 56,463,870