

# HB 174

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## REAA FUND: MT. EDGE CUMBE, TEACHER HOUSING

Representative Robyn Niayuq Burke  
House Education  
April 16, 2025

# What does HB 174 do?

**Currently, the Department of Education uses the “Regional Educational Attendance Area and Small Municipal School District Fund” for grants to school districts within REAAs, or to small municipal school districts.**

- “Small” is defined as districts with Average Daily Membership < 300 and full assessed property value per ADM < \$500,000.

**HB 174 expands the eligible uses of the REAA fund to include:**

1. Construction and major maintenance projects at Mt. Edgecumbe High School
2. Major maintenance on teacher housing in eligible areas that is owned by the district or by the state
3. Also removes the “cap” on the size of the REAA fund, which is currently \$70 million

# Why is this change needed?

Mt. Edgecumbe High School, located in Sitka, is a boarding school owned and operated by the Department of Education, but it is not legally a school “district.”

- Mt. Edgecumbe does not have bond debt, and does not have an established process to apply to be on the “major maintenance” list other schools have access to.
- When the school has needed a capital project, they’ve typically worked directly through the governor’s office and applied to the state through the Legislature’s capital budget process.
- In many parts of rural Alaska, teacher housing is an essential component of the school system.
- Much of it is older and in need of capital improvement, but currently these costs are not eligible for the primary state funding mechanism, the REAA fund.

# Sectional Analysis

- **Sec. 1:** Amends language in AS 14.11.025(a) that authorizes the Department of Education and Early Development to make grants from the REAA fund to REAA districts and small municipal school districts.
  - Adds Mt. Edgecumbe to the eligibility list for school construction and major maintenance grants.
  - Adds eligibility for major maintenance projects for teacher housing in eligible areas that is owned by the district or by the state
- **Sec. 2:** Amends language in AS 14.11.030(a) that adds Mt. Edgecumbe High School and major maintenance for teacher housing to the description of the purpose of the REAA fund.
- **Sec. 3:** Deletes language in AS 14.11.030(b) that the unobligated and unexpended cash balance of the fund may not exceed \$70,000,000.

# Thank you!

## Questions?

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