

WHEREAS, strong educational systems are a vital part of healthy communities; and

WHEREAS, Article VII Section 1 of the Alaska State Constitution mandates that “The legislature shall by general law establish and maintain a system of public schools open to all children of the State;” and

WHEREAS, the State of Alaska’s Foundation Formula is the statutory mechanism for funding Alaska’s system of public schools; and

WHEREAS, the U.S Consumer Price Index calculates that inflation increased 27.6% between July 1, 2016 and September 2023;

WHEREAS, the Base Student Allocation (BSA), which is the primary component within the Foundation Formula, remained unadjusted between July 1, 2016 and June 30, 2023; and

WHEREAS, the BSA increased from \$5,930 to \$5,960 effective July 1, 2023 and comprising a 0.5% increase since July 1, 2016; and

WHEREAS, the data informing the current District Cost Factor (DCF), one of the multipliers within the Foundation Formula and which serves to compensate each district for differing costs of delivering education, have not been updated since the release of a 2004 study by the Institute of Social and Economic Research (ISER); and

WHEREAS, the State of Alaska’s formula for funding pupil transportation has not been adjusted since July 1, 2015 (FY 16) despite historic inflationary drivers in fuel and labor costs; and

WHEREAS, the State of Alaska, in June 2015, halted its historic model for reimbursing municipal governments for 60-70% of their debt service for new school construction and major maintenance, made the law retroactive to January 2015 so as to exclude the recently passed Anchorage school bond, and subsequently asserted that it will reimburse only up to 50% of that debt service when funding resumes in FY 25; and

WHEREAS, static funding provided through the State of Alaska’s Foundation Formula since the 2016-2017 school year (FY 17) and its Pupil Transportation Formula since the 2015-2016 school year (FY 16), despite historic inflationary drivers and dynamic changes to the costs of educating students in districts across the State of Alaska, have significantly increased the structural deficit and diminished the purchasing power of the Anchorage School District (ASD) and districts across the State; and

WHEREAS, despite periodic but unpredictable allocations of one-time funds, the State of Alaska’s

NOW, THEREFORE, BE IT RESOLVED that the Anchorage Assembly and Anchorage School Board hereby urge the Alaska State Legislature and Governor to address the State of Alaska's Constitutional responsibility to maintain its system of public schools by passing immediate legislation to 1) raise the Base Student Allocation by no less than \$1,413 to \$7,373 so as to account for inflation based on the CPI-U for Urban Alaska that has accrued since July 1, 2016 and has been projected to increase by no less than 2% through FY25 and thus enable strategic investments in improved student outcomes, and 2) increase its transportation funding by at least \$209 per pupil to \$690 per pupil for FY25; and

BE IT FURTHER RESOLVED that the Anchorage Assembly and Anchorage School Board hereby urge the Alaska State Legislature and Governor to establish a means for the State of Alaska to be able to maintain its system of public schools by 1) passing additional legislation that will adjust the Base Student Allocation to account for inflation on an annual basis, 2) directing and appropriating necessary funds to pay for a State-funded ISER study of the District Cost Factor; 3) passing additional legislation that would update the DCF on a triennial basis; and 4) return to historic models of cost sharing for capital projects.