Introduced by: Date: Action: Vote: Cox, Tunseth 02/25/25

## KENAI PENINSULA BOROUGH RESOLUTION 2025-014

## A RESOLUTION URGING THE STATE OF ALASKA TO IMPLEMENT A SUSTAINABLE INCREASE TO THE BASE STUDENT ALLOCATION (BSA) AND INVEST IN STRATEGIC IMPROVEMENTS TO PUBLIC EDUCATION

- **WHEREAS**, the State of Alaska is constitutionally obligated to establish and maintain a system of public schools; and
- **WHEREAS,** as per AS 29.35.160, the Kenai Peninsula Borough is required to form a borough school district and to establish, maintain, and operate a system of public schools on an areawide basis; and
- **WHEREAS,** AS 14.17.470 currently stipulates that the base student allocation (BSA) provided by the State is \$5,960; and
- WHEREAS, the State is currently providing about 58% of Kenai Peninsula Borough School District education funding and local, Kenai Peninsula Borough contributions make up a majority of the outstanding balance; and
- WHEREAS, education is the single largest budgetary item for the Kenai Peninsula Borough; and
- WHEREAS, without a BSA increase, one-time funding, or a mix of both the Kenai Peninsula Borough School District will be facing a budget deficit of just under \$17 million for FY26 which will require consolidating schools, increasing class size, and eliminating programs important to our students and community members; and
- **WHEREAS,** a stagnant BSA amount coupled with a constant upward inflationary trend has eroded the effectiveness of the formulated Basic Need amount; and
- WHEREAS, the Kenai Peninsula Borough has consistently worked to increase local contributions in response to rising costs and is now considering allocating the maximum amount permitted by the State; however, even with this commitment, additional funding will be necessary to sustain essential educational programs and opportunities for students in the upcoming fiscal year; and
- **WHEREAS,** the base student allocation (BSA) not only determines the level of State funding for the Kenai Peninsula Borough School District but also directly impacts the Borough's ability to provide local contributions in support of education; and

- **WHEREAS,** the most recent substantial increase to the BSA took place between fiscal years 2015-2017, raising the amount by \$250 per student, with the Alaska Reads Act providing an additional \$30 increase in fiscal year 2024; and
- **WHEREAS,** the State has provided valuable one-time funding to Alaska's schools in recent years, offering important short-term relief for budgetary challenges; and
- **WHEREAS,** while one-time funds have provided temporary budget relief, a long-term solution is necessary to ensure financial stability and continuity in educational programs for future years ; and
- WHEREAS, on February 28, 2023, the Legislative Finance Division Director stated to the House Finance Committee that "today, the base student allocation is the lowest it's been in the last 20 years adjusted for inflation"; and
- **WHEREAS,** the FY12 value of the BSA in today's dollars would be approximately \$1800\_more than Alaska school districts are currently receiving; and
- **WHEREAS,** an inflationary increase matching this amount would ensure Alaska school districts could continue current educational programs with no anticipated cuts; and
- WHEREAS, last session Alaska State Senate and House members passed SB 140 which permanently increased the BSA to \$6,640 per student; and
- **WHEREAS,** on March 14, 2024 Governor Dunleavy vetoed SB 140 stating that he could not support the bill because Alaska legislators failed to address teacher recruitment and retention and enhancing charter school opportunities; and
- WHEREAS, the 33rd Alaska State Legislature failed to override the veto of SB 140 by one vote; and
- WHEREAS, the 34th Alaska State Legislature will now have the opportunity to consider a BSA increase in HB 69 and Governor Dunleavy's education priorities in HB 76 and SB 82; and
- **WHEREAS,** any long-term education package must provide both stable, predictable funding increases and strategic improvements in student achievement and school operations; and
- **WHEREAS,** if HB 69 is passed by the legislature, Governor Dunleavy will be in the position to accept or veto the proposed increases to the base student allocation; and
- **WHEREAS,** a compromise that combines elements of HB 69, HB 76, and SB 82 appears necessary for any meaningful increase in BSA to occur.

## NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

- **SECTION 1.** That the Assembly requests that the State Legislature and Governor Dunleavy to pass a balanced education package that includes a permanent and sustainable increase to the base student allocation—indexed to inflation—as well as strategic investments in teacher retention, student literacy, and school choice options as part of a comprehensive education plan that incorporates responsible reforms to strengthen student achievement.
- **SECTION 2.** That the Assembly urges the Alaska Legislature and Governor Dunleavy to prioritize a long-term, bipartisan solution for FY26 and beyond, providing school districts with predictable funding levels while incorporating policy measures that enhance the effectiveness and efficiency of Alaska's education system.
- **SECTION 3.** That copies of this resolution be sent to Governor Dunleavy, the Kenai Peninsula legislative delegation, the Kenai Peninsula Borough School District Board of Education, all members of the Alaska State Senate, and all members of the Alaska House of Representatives.
- **SECTION 4.** That copies of this resolution also be sent to all Kenai Peninsula Borough incorporated cities.
- **SECTION 5.** That this resolution is effective immediately upon adoption.

## ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 25TH DAY OF FEBRUARY, 2025.

ATTEST:

Peter Ribbens, Assembly President

Michele Turner, CMC, Borough Clerk

Yes:

No:

Absent: