



MEMORANDUM

To: Superintendents and Business Managers

From: Dr. Deena Bishop, Commissioner

Date: July 5, 2024

Subject: 2024 Regular Legislative Session

The purpose of this memorandum is to provide a summary of education related legislation passed during the regular and special sessions. The formula funding information is preliminary. Please do not hesitate to reach out to our team if you need further information or clarification. We are happy to support you.

Appropriation Budget Bills:

FY2024 Supplemental and FY2025 Operating Budget – House Bill 268 (HB 268) (Chapter 7, SSSLA 24) and Capital Budget – Senate Bill 187 (SB 187) (Chapter 8, SSSLA 24) – Signed by the Governor on June 27, 2024

HB 268 (CCS HB 268 (Corrected)) contains the Department of Education and Early Development's (DEED) operating budget and capital budget for FY2025. Enclosed is a schedule titled "FY2025 Projected State Program Allocations based on Enacted Budget," which includes FY2025 estimated funding levels, by district, for the following programs: Foundation (including \$174.6 million one-time funding outside the foundation formula), Pupil Transportation (including \$7.3 million one-time funding outside the foundation formula), Permanent Fund Dividend Raffle Grant, Boarding Home Stipends, Residential Boarding Program (including a continuation of the \$3.6 million expansion multi-year funding), Youth in Detention, Special Schools, and School Debt Reimbursement for a total funding level of approximately \$1.5 billion dollars. The funding levels listed by district are projected allocations and are subject to change based on actual FY2025 average daily membership and/or individual program requirements.

HB 268 includes intent language by the legislature for school districts to report to DEED twice annually, once by the end of the count period set out in AS 14.17.500, and on February 1, 2025, the balance of funds including the school operating fund, special revenue funds, capital project funds, and other governmental funds. The balances must be reported based on the following classifications: 1) nonspendable fund balance, 2) restricted fund balance, 3) committed fund balance, 4) assigned fund balance, 5) unassigned balance. DEED must provide these reports in electronic format to the Co-Chairs of the Finance and Legislative Finance Division by December 20, 2024 and February 15, 2025.

HB 268 also includes several new appropriations for the following items:

- \$75.0 thousand for the Alaska Reads Act Advisory panel.
- \$5.0 million to the Alaska Native Science and Engineering Program

- \$750.0 thousand for Career and Technical Education (CTE) Initiative. This increment will support developing and adopting a comprehensive Alaska Work-Based Learning Continuum; support Career and Technical Student Organizations (CTSO); provide CTE grants to school districts to develop or expand CTE programs and work-based learning opportunities; develop and maintain a post-secondary training and industry resource clearinghouse; and implement secondary career advisors which are instrumental in promoting career readiness among students.
- \$1.5 million (one-time funding) for teacher recruitment, retention, and certification support to address on-going support for teacher recruitment and retention efforts, as well as for the development of an apprenticeship program in Alaska. The program is intended to be reevaluated for efficiency after three years.

HB 268 continues to provide funding for the following items:

- \$11.3 million for Early Learning programs including:
 - \$9.4 million for Head Start Grants
 - \$474.7 thousand for Parents as Teachers
 - \$320.0 thousand for Best Beginnings
- \$6.2 million for Pre-Kindergarten Grants
- \$21.0 million for the School Broadband Assistance Grants
- \$57.5 million for the School Debt Reimbursement Program

The following capital projects are also included in SB 187:

- \$62.8 million deposit funding into the School Major Maintenance Grant fund for [FY25 School Major Maintenance](#)¹.
- School Construction Grant Funds – fully funds the first two projects and phasing out the third project on the January 12, 2024, [FY2025 Construction Grant Fund](#)² list –
 - Newtok K-12 School Relocation/Replacement, Mertarvik \$4.0 million
 - Minto K-12 School Renovation/Addition, Supplemental \$5.3 million
 - Nelson Island School Replacement, Toksook Bay – Phase 1 \$21.6 million
- \$26.9 million deposited into the Regional Educational Attendance Area (REAA) and Small Municipal School District School Fund

FY2025 Mental Health Budget – House Bill 270 (HB 270) – Signed by the Governor on June 27, 2024 (Chapter 9, SSSLA 24)

HB 270 (CCS HB 270) includes \$562.5 thousand for department student and school achievement efforts associated with mental health.

¹ State of Alaska. Department of Education and Early Development. School Facilities. FY2025 Capital Improvement Projects Major Maintenance Grant Fund. *Final List*.

<https://education.alaska.gov/Facilities/final/FY25MaintenanceFinalList.pdf>

² State of Alaska. Department of Education and Early Development. School Facilities. FY2025 Capital Improvement Projects School Construction Grant Fund. *Final List*.

<https://education.alaska.gov/Facilities/final/FY25ConstructionFinalList.pdf>

Additional Legislation:

AK Perform. Scholarship; Edu Tax Credits – House Bill 148 (HB 148) – Signed by the Governor on June 26, 2024 (Chapter 4 SSLA 24)

HB 148 (SCS CSHB 148(FIN) AM S) will impact programs in the following ways:

1. Early Childhood Education: HB 148 requires the State to provide funding for Head Start program federal match requirements pro rata.
2. Alaska Performance Scholarship (APS) Program: HB 148 modifies the APS program by expanding eligibility criteria, adjusting award amounts, and introducing new provisions for scholarship recipients' ongoing eligibility and performance assessment. For more information, visit the Alaska Commission on Postsecondary Education (ACPE) [APS website](#)³.
3. Technical and Vocational Education: Reauthorizes the Alaska Workforce Investment Board Technical and Vocational Education program. The bill also alters regulations governing the Alaska Technical and Vocational Education Program by removing a provision related to setting standards for administrative costs of grants, aiming to clarify and streamline administrative processes.

Internet for Schools – House Bill 193 (HB 193) – Signed by the Governor on March 27, 2024 (Chapter 1 SSLA 24)

HB 193 amends the School Broadband Assistance Grants (BAG) program statute AS 14.03.127(a) to provide Alaska school districts with funding to assist eligible schools in their district reach up to 100 megabits per second (Mbps) download speed for internet services. Previously, the cap for the School BAG program was 25 Mbps download speed. This bill will help students across Alaska by providing better internet connectivity for their education.

Proclaim Juneteenth Day a Holiday – Senate Bill 22 (SB 22) – Signed by the Governor on June 27, 2024 (Chapter 10 SSLA 24)

SB 22 establishes Juneteenth – also known as Freedom Day or Emancipation Day – as a legal state holiday observed on June 19th.⁴

Enclosure: FY2025 Projected State Program Allocations based on Enacted Budget

cc: Karen Morrison, Deputy Commissioner
Laurel Shoop, Special Assistant & Legislative Liaison
Tama Carson, Administrative Services Director

³ State of Alaska. Alaska Commission on Postsecondary Education (ACPE). *Alaska Performance Scholarship (APS)*. <https://acpe.alaska.gov/FINANCIAL-AID/AK-Performance-Scholarship>

⁴ [AS 44.12.010](#) *Legal holidays*

Department of Education and Early Development
 FY2025 Projected State Program Allocations
 Allocations are subject to adjustment based on individual program requirements
 Updated 07/02/2024

DISTRICT	FY2025 Projected ADM	Projected Total Foundation @ \$5,960	HB268 - \$680 Onetime Grant on AADM	Projected PFD Raffle Grant	Projected Boarding Home	Residential Boarding Program	Supplemental Residential Boarding Program	Youth in Detention	Projected Special Schools	Projected Pupil Transportation	Supplemental Pupil Transportation	Projected Municipal Debt Reimbursement	PROJECTED FY2025 TOTALS
ALASKA GATEWAY	369	\$ 8,930,967	\$ 1,092,740	\$ 1,378						\$ 765,567	\$ 79,235		\$ 10,869,887
ALEUTIAN REGION	12	961,065	113,078	50						0	0		1,074,193
ALEUTIANS EAST	178	2,877,909	536,684	736						61,054	6,319	702,907	4,185,609
ANCHORAGE	42,664	303,283,063	49,110,954	167,345				402,911	644,000	19,454,127	2,013,483	20,135,900	395,211,783
ANNETTE ISLANDS	296	3,604,843	679,184	1,225						59,496	6,158		4,350,906
BERING STRAIT	1,682	28,416,980	4,762,068	6,959		431,184	76,468			90,828	9,401		33,793,888
BRISTOL BAY	105	989,815	215,056	422						301,104	31,164		1,537,561
CHATHAM	166	3,653,497	435,058	588						44,020	4,556		4,137,719
CHUGACH	594	4,536,358	545,646	294		273,600	48,522			0	0		5,404,420
COPPER RIVER	401	5,849,862	719,276	1,196						506,617	52,434		7,129,385
CORDOVA	370	4,509,273	650,312	1,510						135,415	14,015	882,093	6,192,618
CRAIG	677	5,132,354	671,540	939						106,009	10,972		5,921,814
DELTA/GREELY	962	10,555,604	1,220,682	2,739						1,211,460	125,385		13,115,870
DENALI	872	5,956,447	797,756	712						343,484	35,550		7,133,949
DILLINGHAM	391	5,336,702	731,006	1,618	34,310					525,895	54,430	742,166	7,426,127
FAIRBANKS	12,400	92,846,822	15,964,162	47,475				119,247		10,349,548	1,071,168	5,578,012	125,976,434
GALENA	7,087	40,429,892	4,616,894	1,187		3,517,074	623,736			80,647	8,347		49,277,777
HAINES	246	2,536,169	444,672	960						160,544	16,616	896,473	4,055,434
HOONAH	107	2,707,776	339,190	443						35,310	3,655		3,086,374
HYDABURG	95	1,505,487	176,296	199						0	0		1,681,982
IDITAROD	319	5,726,109	740,254	658						37,206	3,851		6,508,078
JUNEAU	4,090	28,657,305	5,493,692	16,257				127,611		2,616,714	270,827	440,669	37,623,075
KAKE	110	2,162,851	279,724	455						33,000	3,415		2,479,445
KASHUNAMIUT	308	3,645,036	762,926	1,274						1,540	159		4,410,935
KENAI	8,230	67,184,047	11,416,996	29,501				130,499		7,208,430	746,066	1,795,641	88,511,180
KETCHIKAN	2,001	24,226,746	3,410,526	7,932						1,539,351	159,321	436,506	29,780,382
KLAWOCK	133	1,865,628	317,192	550						85,785	8,879		2,278,034
KODIAK	2,073	23,976,860	3,518,238	7,957						1,698,009	175,742	5,145,947	34,522,753
KUSPUK	311	5,498,659	983,320	1,287	6,060					224,542	23,240		6,737,108
LAKE AND PENINSULA	299	8,275,941	1,007,944	1,187						121,688	12,595	894,891	10,314,246
LOWER KUSKOKWIM	3,772	60,188,542	8,926,592	15,607		1,060,616	188,095	200,485		1,154,232	119,462		71,853,631
LOWER YUKON	1,975	32,986,893	5,166,056	8,172		798,000	141,521			1,975	204		39,102,822
MAT-SU	19,412	164,810,172	24,121,804	66,797				119,247		16,224,720	1,679,243	16,195,861	223,217,844
NENANA	2,081	13,202,651	1,513,014	811		1,382,572	245,192			127,204	13,165		16,484,610
NOME	697	8,875,369	1,174,836	2,793						463,050	47,925	59,225	10,623,198
NORTH SLOPE	1,822	17,475,168	4,047,570	7,539		331,680	58,822			2,253,814	233,268	75,175	24,483,035
NORTHWEST ARCTIC	1,899	38,250,938	4,682,480	7,791		663,360	117,644			50,841	5,262	397,617	44,175,933
PELICAN	15	379,457	48,444	62						1,320	137		429,420
PETERSBURG	478	6,341,522	909,826	1,978						197,892	20,482	457,867	7,929,567
PRIBILOF	60	735,289	161,378	232						0	0		896,899
SAINT MARY'S	182	3,817,256	444,720	753						38,766	4,012		4,305,507
SITKA	1,089	11,167,784	1,747,042	4,316						493,339	51,060	1,047,016	14,510,557
SKAGWAY	135	1,273,249	261,372	559						5,400	559		1,541,139
SOUTHEAST	212	4,945,439	562,734	774						238,612	24,696		5,772,255
SOUTHWEST	591	8,993,621	1,579,442	2,445	20,000					390,060	40,371		11,025,939
UNALASKA	348	3,520,956	683,978	1,438						248,810	25,752		4,480,934
VALDEZ	565	4,892,270	1,012,330	2,338						459,345	47,542	1,633,705	8,047,529
WRANGELL	270	3,184,870	460,618	1,117						208,980	21,629		3,877,214
YAKUTAT	93	1,097,102	161,268	302						60,006	6,211		1,324,889
YUKON FLATS	184	4,871,813	724,220	761						53,728	5,561		5,656,083
YUKON/KOYUKUK	3,108	23,834,650	2,802,892	1,481	17,344					118,498	12,264		26,787,130
YUPIIT	513	8,213,498	1,205,918	2,123						1,026	106		9,422,671
Mt. EDGECUMBE	430	2,719,927	494,082	1,778						0	0		3,215,787
OTHER	1	30,700,900							3,466,825				34,167,725
Sub Totals	127,478	\$ 1,162,319,403	\$ 174,645,682	\$ 437,000	\$ 77,714	\$ 8,458,086	\$ 1,500,000	\$ 1,100,000	\$ 4,110,825	\$ 70,589,008	\$ 7,305,894	\$ 57,517,670	\$ 1,488,061,283

11 OTHER INCLUDES SESA, HB114 EARLY EDUCATION PROGRAM FUNDING, AND OTHER ADJUSTMENTS.