

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version:	HB 69
Fiscal Note Number:	2
(H) Publish Date:	2/21/2025

Identifier: HB069-EED-PEF-2-20-25
 Title: EDUCATION: FUNDING, SCHOOLS, DEVICES
 Sponsor: HIMSCHOOT
 Requester: (H) FINANCE

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	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2026 Request	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
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		499,566.0	644,143.9	695,796.9	750,994.8	807,458.6
Miscellaneous							
Total Operating	325,616.8	0.0	499,566.0	644,143.9	695,796.9	750,994.8	807,458.6

Fund Source (Operating Only)

1004 Gen Fund (UGF)	325,616.8		499,566.0	644,143.9	695,796.9	750,994.8	807,458.6
Total	325,616.8	0.0	499,566.0	644,143.9	695,796.9	750,994.8	807,458.6

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 If yes, by what date are the regulations to be adopted, amended or repealed?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:

This updated fiscal note clarifies the total change from the base year, as the previous version reflected only the fiscal year change. This update ensures a complete representation of the fiscal impact.

Prepared By:	Heather Heineken, Division Director	Phone:	(907)269-6889
Division:	Finance and Support Services	Date:	02/20/2025 10:00 AM
Approved By:	Karen Morrison, Deputy Commissioner	Date:	02/20/25
Agency:	Department of Education and Early Development		

REPORTED OUT OF
 HFC 02/20/2025
 Control Code: ytSrW

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

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 : \$499,566.0 (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: \$644,143.9 (thousands)

FY2029: \$8,504 Prior Year BSA x 2.4% Average of 2024, 2025, 2026 CPI = \$8,708 FY2029 BSA. Total FY2029 impact: \$695,796.9 (thousands)

FY2030: \$8,708 Prior Year BSA x 2.5% Average of 2025, 2026, 2027 CPI = \$8,926 FY2030 BSA. Total FY2030 impact: \$750,994.8 (thousands)

FY2031: \$8,926 Prior Year BSA x 2.5% Average of 2026, 2027, 2028 CPI = \$9,149 FY2031 BSA. Total FY2031 impact: \$807,458.6 (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. HB069

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	\$ 3,022,419	\$ 12,672,907	\$ 3,897,129
Aleutian Region	705,835	872,899	167,064	962,147	256,312	1,036,326	330,491
Aleutians East Borough	3,149,763	4,155,145	1,005,382	4,692,235	1,542,472	5,138,637	1,988,874
Anchorage	287,101,121	377,786,099	90,684,978	426,231,340	139,130,219	466,496,598	179,395,477
Annette Island	817,081	1,997,141	1,180,060	2,627,545	1,810,464	3,151,506	2,334,425
Bering Strait	27,454,199	36,107,205	8,653,006	40,729,766	13,275,567	44,571,808	17,117,609
Bristol Bay Borough	1,508,726	2,023,924	515,198	2,299,149	790,423	2,527,903	1,019,177
Chatham	3,661,576	4,463,564	801,988	4,891,998	1,230,422	5,248,091	1,586,515
Chugach	5,082,257	6,213,230	1,130,973	6,817,412	1,735,155	7,319,578	2,237,321
Copper River	5,912,387	7,233,392	1,321,005	7,939,092	2,026,705	8,525,635	2,613,248
Cordova	4,512,618	5,734,563	1,221,945	6,387,343	1,874,725	6,929,902	2,417,284
Craig	5,248,876	6,501,826	1,252,950	7,171,170	1,922,294	7,727,495	2,478,619
Delta/Greely	10,455,283	12,742,743	2,287,460	13,964,737	3,509,454	14,980,398	4,525,115
Denali Borough	6,638,654	8,307,934	1,669,280	9,199,687	2,561,033	9,940,868	3,302,214
Dillingham	4,783,543	6,039,515	1,255,972	6,710,473	1,926,930	7,268,141	2,484,598
Fairbanks N. Star Borough	89,030,029	118,848,691	29,818,662	134,778,257	45,748,228	148,018,114	58,988,085
Galena	43,503,138	52,891,054	9,387,916	57,906,216	14,403,078	62,074,567	18,571,429
Haines Borough	2,588,682	3,460,397	871,715	3,926,080	1,337,398	4,313,132	1,724,450
Hoonah	2,628,697	3,255,095	626,398	3,589,726	961,029	3,867,854	1,239,157
Hydaburg	1,439,041	1,758,214	319,173	1,928,720	489,679	2,070,437	631,396
Iditarod Area	5,699,785	7,086,620	1,386,835	7,827,488	2,127,703	8,443,260	2,743,475
Juneau Borough	27,577,548	37,804,965	10,227,417	43,268,600	15,691,052	47,809,701	20,232,153
Kenai	2,245,526	2,787,845	542,319	3,077,559	832,033	3,318,356	1,072,830
Kashunamiut	3,730,303	5,093,437	1,363,134	5,821,643	2,091,340	6,426,892	2,696,589
Kenai Peninsula Borough	64,565,229	86,106,848	21,541,619	97,614,696	33,049,467	107,179,442	42,614,213
Ketchikan Gateway Borough	23,768,404	30,220,536	6,452,132	33,667,359	9,898,955	36,532,186	12,763,782
Klawock	1,748,752	2,309,114	560,362	2,608,467	859,715	2,857,275	1,108,523
Kodiak Island Borough	23,524,518	30,292,402	6,767,884	33,907,904	10,383,386	36,912,929	13,388,411
Kuspuk	5,246,363	6,883,441	1,637,078	7,757,992	2,511,629	8,484,875	3,238,512
Lake & Peninsula Borough	8,177,766	10,069,253	1,891,487	11,079,713	2,901,947	11,919,557	3,741,791
Lower Kuskokwim	59,023,306	75,415,936	16,392,630	84,173,118	25,149,812	91,451,649	32,428,343
Lower Yukon	38,175,491	47,870,054	9,694,563	53,049,031	14,873,540	57,353,537	19,178,046
Mat-Su Borough	162,033,257	207,588,624	45,555,367	231,924,967	69,891,710	252,152,116	90,118,859
Nenana	13,919,356	16,934,421	3,015,065	18,545,113	4,625,757	19,883,840	5,964,484
Nome	8,816,612	11,026,423	2,209,811	12,206,936	3,390,324	13,188,119	4,371,507
North Slope Borough	17,131,633	24,425,092	7,293,459	28,321,364	11,189,731	31,559,751	14,428,118
Northwest Arctic Borough	36,300,234	44,773,933	8,473,699	49,300,706	13,000,472	53,063,134	16,762,900
Pelican	365,663	457,278	91,615	506,220	140,557	546,898	181,235
Petersburg	5,905,392	7,521,856	1,616,464	8,385,394	2,480,002	9,103,124	3,197,732
Pribilof	962,208	1,277,612	315,404	1,446,106	483,898	1,586,149	623,941
Saint Mary's	3,548,552	4,332,240	783,688	4,750,898	1,202,346	5,098,866	1,550,314
Sitka Borough	10,675,059	13,875,244	3,200,185	15,584,830	4,909,771	17,005,752	6,330,693
Skagway	1,124,783	1,588,669	463,886	1,836,484	711,701	2,042,455	917,672
Southeast Island	4,629,488	5,625,726	996,238	6,157,931	1,528,443	6,600,274	1,970,786
Southwest Region	9,108,504	11,989,260	2,880,756	13,528,202	4,419,698	14,807,293	5,698,789
Unalaska	3,229,972	4,465,613	1,235,641	5,125,710	1,895,738	5,674,349	2,444,377
Valdez	4,471,191	6,294,443	1,823,252	7,268,451	2,797,260	8,077,998	3,606,807
Wrangell	2,831,469	3,631,438	799,969	4,058,793	1,227,324	4,413,989	1,582,520
Yakutat	1,116,253	1,426,899	310,646	1,592,850	476,597	1,730,781	614,528
Yukon Flats	4,742,451	6,057,206	1,314,755	6,759,567	2,017,116	7,343,334	2,600,883
Yukon/Koyukuk	24,348,790	29,724,065	5,375,275	32,595,615	8,246,825	34,982,303	10,633,513
Yup'it	7,885,398	10,239,819	2,354,421	11,497,586	3,612,188	12,542,978	4,657,580
Mt. Edgecumbe High School	2,650,169	3,558,728	908,559	4,044,094	1,393,925	4,447,505	1,797,336
TOTAL	\$ 1,104,276,709	\$ 1,429,893,460	\$ 325,616,751	\$ 1,603,842,677	\$ 499,565,968	\$ 1,748,420,564	\$ 644,143,855

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. HB069

Analysis

School District	FY2026 Proj TOTAL STATE ENTITLEMENT	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	\$ 8,775,778	\$ 12,985,412	\$ 4,209,634	\$ 13,319,364	\$ 4,543,586	\$ 13,660,976	\$ 4,885,198
Aleutian Region	705,835	1,062,827	356,992	1,091,148	385,313	1,120,118	414,283
Aleutians East Borough	3,149,763	5,298,122	2,148,359	5,468,553	2,318,790	5,642,892	2,493,129
Anchorage	287,101,121	480,882,085	193,780,964	496,254,810	209,153,689	511,980,121	224,879,000
Annette Island	817,081	3,338,701	2,521,620	3,538,742	2,721,661	3,743,371	2,926,290
Bering Strait	27,454,199	45,944,447	18,490,248	47,411,286	19,957,087	48,911,768	21,457,569
Bristol Bay Borough	1,508,726	2,609,630	1,100,904	2,696,965	1,188,239	2,786,303	1,277,577
Chatham	3,661,576	5,375,311	1,713,735	5,511,262	1,849,686	5,650,332	1,988,756
Chugach	5,082,257	7,498,986	2,416,729	7,690,706	2,608,449	7,886,823	2,804,566
Copper River	5,912,387	8,735,188	2,822,801	8,959,122	3,046,735	9,188,192	3,275,805
Cordova	4,512,618	7,123,741	2,611,123	7,340,882	2,818,264	7,542,774	3,030,156
Craig	5,248,876	7,926,252	2,677,376	8,138,650	2,889,774	8,355,919	3,107,043
Delta/Greely	10,455,283	15,343,261	4,887,978	15,731,026	5,275,743	16,127,685	5,672,402
Denali Borough	6,638,654	10,205,668	3,567,014	10,488,641	3,849,987	10,778,104	4,139,450
Dillingham	4,783,543	7,467,377	2,683,834	7,680,287	2,896,744	7,898,080	3,114,537
Fairbanks N. Star Borough	89,030,029	152,748,290	63,718,261	157,803,087	68,773,058	162,973,819	73,943,790
Galena	43,503,138	63,563,786	20,060,648	65,155,205	21,652,067	66,783,125	23,279,987
Haines Borough	2,588,682	4,451,414	1,862,732	4,599,185	2,010,503	4,750,346	2,161,664
Hoonah	2,628,697	3,967,221	1,338,524	4,073,406	1,444,709	4,182,027	1,553,330
Hydaburg	1,439,041	2,121,068	682,027	2,175,173	736,132	2,230,519	791,478
Iditarod Area	5,699,785	8,663,255	2,963,470	8,898,349	3,198,564	9,138,834	3,439,049
Juneau Borough	27,577,548	49,432,090	21,854,542	51,165,820	23,588,272	52,939,315	25,361,767
Kenai	2,245,526	3,404,385	1,158,859	3,496,317	1,250,791	3,590,359	1,344,833
Kashunamiut	3,730,303	6,643,128	2,912,825	6,874,203	3,143,900	7,110,579	3,380,276
Kenai Peninsula Borough	64,565,229	110,596,620	46,031,391	114,248,310	49,683,081	117,983,754	53,418,525
Ketchikan Gateway Borough	23,768,404	37,555,697	13,787,293	38,649,448	14,881,044	39,768,286	15,999,882
Klawock	1,748,752	2,946,166	1,197,414	3,041,157	1,292,405	3,138,327	1,389,575
Kodiak Island Borough	23,524,518	37,986,528	14,462,010	39,133,805	15,609,287	40,307,396	16,782,878
Kuspuk	5,246,363	8,744,567	3,498,204	9,022,081	3,775,718	9,305,960	4,059,597
Lake & Peninsula Borough	8,177,766	12,219,607	4,041,841	12,540,248	4,362,482	12,868,243	4,690,477
Lower Kuskokwim	59,023,306	94,052,035	35,028,729	96,830,879	37,807,573	99,673,458	40,650,152
Lower Yukon	38,175,491	58,891,399	20,715,908	60,534,801	22,359,310	62,215,895	24,040,404
Mat-Su Borough	162,033,257	259,378,629	97,345,372	267,101,078	105,067,821	275,000,648	112,967,391
Nenana	13,919,356	20,362,124	6,442,768	20,873,232	6,953,876	21,396,062	7,476,706
Nome	8,816,612	13,538,665	4,722,053	13,913,267	5,096,655	14,296,462	5,479,850
North Slope Borough	17,131,633	32,716,722	15,585,089	33,953,094	16,821,461	35,217,823	18,086,190
Northwest Arctic Borough	36,300,234	54,407,329	18,107,095	55,843,772	19,543,538	57,313,161	21,012,927
Pelican	365,663	561,431	195,768	576,961	211,298	592,848	227,185
Petersburg	5,905,392	9,359,546	3,454,154	9,633,565	3,728,173	9,913,870	4,008,478
Pribilof	962,208	1,636,182	673,974	1,689,649	727,441	1,744,342	782,134
Saint Mary's	3,548,552	5,223,183	1,674,631	5,356,032	1,807,480	5,491,929	1,943,377
Sitka Borough	10,675,059	17,513,402	6,838,343	18,055,890	7,380,831	18,610,822	7,935,763
Skagway	1,124,783	2,116,042	991,259	2,194,679	1,069,896	2,275,119	1,150,336
Southeast Island	4,629,488	6,758,308	2,128,820	6,927,189	2,297,701	7,099,942	2,470,454
Southwest Region	9,108,504	15,264,272	6,155,768	15,752,611	6,644,107	16,252,151	7,143,647
Unalaska	3,229,972	5,870,361	2,640,389	6,079,824	2,849,852	6,294,091	3,064,119
Valdez	4,471,191	8,367,223	3,896,032	8,676,297	4,205,106	8,992,460	4,521,269
Wrangell	2,831,469	4,540,889	1,709,420	4,676,499	1,845,030	4,815,218	1,983,749
Yakutat	1,116,253	1,780,059	663,806	1,832,720	716,467	1,886,587	770,334
Yukon Flats	4,742,451	7,551,896	2,809,445	7,774,770	3,032,319	8,002,757	3,260,306
Yukon/Koyukuk	24,348,790	35,834,991	11,486,201	36,746,196	12,397,406	37,678,300	13,329,510
Yup'it	7,885,398	12,916,463	5,031,065	13,315,580	5,430,182	13,723,851	5,838,453
Mt. Edgecumbe High School	2,650,169	4,591,631	1,941,462	4,745,648	2,095,479	4,903,198	2,253,029
TOTAL	\$ 1,104,276,709	\$ 1,800,073,612	\$ 695,796,903	\$ 1,855,271,471	\$ 750,994,762	\$ 1,911,735,341	\$ 807,458,632