



25th ALASKA STATE LEGISLATURE

SENATE REPUBLICAN CAUCUS

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Fact Sheet for: Senate Bill 1

Contact: Sheila Peterson, 465-3709

Bill Version: SB 1

Sponsor: Senator Gary Wilken

Short Title: INCREASE AMT OF BASE STUDENT ALLOCATION

Summary:

- Amends the education funding formula and establishes the per student dollar amount at \$5,810, an increase of \$430.

Benefits:

- Increases the per student dollar to cover an inflation rate of 4 percent in FY06.
- Provides school districts with additional funds, over and above the inflation rate, to help meet fixed costs.
- Provides additional funds to help school districts reduce class size, particularly in the early grades.

Background:

- The state's funding formula for K-12 public education is based on a per student allocation. This dollar amount is adjusted for the size and location of the school in which the student attends. Special needs students generate additional revenue to help school districts meet the unique needs of these students. For the past several years, the Legislature has increased the per student dollar amount annually.

The sponsor recognizes that each school district's required retirement contribution increased substantially this year, a statewide total of over \$200 million. The per student dollar amount would need to be increased \$1,000 to cover just this year's increase. This financial burden to our local school districts must be addressed by the Legislature in a manner acceptable to all school districts and the State of Alaska.