

## RESOLUTION #2019-03

**A resolution in support of full funding from the State of Alaska for school bond debt reimbursement and State aid for construction in Regional Education Attendance Areas.**

WHEREAS, the State of Alaska has a constitutional responsibility to “maintain a system of public schools” under Article 7, Section 1 of the Alaska Constitution; and

WHEREAS, since 1970, the State of Alaska has encouraged municipalities to bond for school major maintenance projects by reimbursing municipalities with bonding authority for a fixed portion of principal and interest payments; and

WHEREAS, the Alaska Legislature has, for decades, provided major maintenance for rural Regional Educational Attendance Area schools through appropriations in the annual capital budget; and

WHEREAS, since 2010, the Legislature provided consistent funding parity for rural schools’ major maintenance needs by automatically funding major maintenance projects in areas without the ability to bond, with a percentage of the school bond debt reimbursement funding; and

WHEREAS, relying on these programs and the State of Alaska’s obligations, Alaskan municipalities and Regional Educational Attendance Areas have maintained schools and fulfilled municipal responsibilities; and

WHEREAS, in 2015, the Legislature placed a five-year moratorium on any new projects being eligible for school bond debt reimbursement, and shifted the sole responsibility of repayment to local taxpayers; and

WHEREAS, some municipalities, in an effort to mitigate deterioration of school facilities during the capital funding moratorium, began allocating local tax revenues to provide funding for major deferred maintenance school projects; and

WHEREAS, in 2020, the Legislature honored past project funding and appropriated funds to the municipalities for school debt reimbursement, which was vetoed by the Governor; and

WHEREAS, the potential for future reductions places great uncertainty on this program and burden on municipalities.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League support full annual funding of school bond debt reimbursement and state aid for construction in Regional Educational Attendance Areas.