

## RESOLUTION #2020-04

**Opposing any increase to the required minimum local contribution or decreases to State funding levels; removing the maximum local contribution allowable; and considering Impact Aid as part of the local contribution.**

WHEREAS, public education is a State obligation included in Article 7 of the Constitution; and

WHEREAS, the State delegates some of its responsibility to local governments, including education powers – and funding roles – to all boroughs, and home rule and first-class cities; and

WHEREAS, education is one of the largest State budget items, and is by far the largest budget item for those local governments with education powers; and

WHEREAS, as part of the funding formula designed by the State, a minimum local contribution of 2.65 mils (or equivalent) is required; and

WHEREAS, many local governments contribute beyond what is required, but at least nine contribute below 4 mils; and

WHEREAS, increases to the local contribution will mean trade-offs for each local government, who must choose between increasing taxes and decreased spending on other essential programs, including public safety and infrastructure; and

WHEREAS, five local governments currently fund their schools to the cap, and should be given the opportunity to contribute as they wish, consistent with local control; and

WHEREAS, federal Impact Aid is distributed to school districts by the U.S. Dept. of Education to make up for the loss of property tax revenue due to tax-exempt federal property, and to compensate them for continued provision of education for federally connected children; and

WHEREAS, the State considers Impact Aid part of its contribution to education, and if it were counted as part of the local contribution, local spending on education would increase from 40.31% to 52.71% of what the State spends overall; and

WHEREAS, instead of shifting the cost of education – and the State's responsibilities – to local governments, the State should give greater flexibility to local governments to give as they are able, even as the State ensures adequate levels of funding.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League opposes any increase to the required local contribution for education funding or reductions to the adequacy of State funding of education; and

BE IT FURTHER RESOLVED, that the Alaska Municipal League supports removing the cap on local government contributions and counting Federal Impact Aid as part of the local government contribution.