

RESOLUTION 19-32

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH IN SUPPORT OF FULL FUNDING FROM THE STATE OF ALASKA FOR THE SCHOOL BOND DEBT REIMBURSEMENT AND INCREASED 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 VII, 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 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 Alaska 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 for the education of our state’s most precious resource, our children; and

WHEREAS, in 2015 the Alaska Legislature responded to a difficult fiscal situation by placing a five-year moratorium on any new projects being eligible for school bond debt reimbursement, thus giving municipalities and voters across the state notice that bonds sold within the five-year period would be the sole responsibility of 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 2016, the Alaska Legislature recognized the State responsibility to honor past project funding and appropriated funds to the municipalities for school debt reimbursement, as well as major maintenance funding for schools in Regional Educational Attendance Areas; and

WHEREAS, in 2016 Governor Bill Walker, in trying to address the budget deficit, cut twenty-five percent of the funding for both municipal and rural schools from appropriation bills using his line-item reduction power; and

WHEREAS, these reductions 'saved' the State of Alaska \$40,703,819 out of an estimated \$3.4 billion deficit, or 1.2 percent, by shifting costs to local municipalities and by leaving badly needed rural projects unfunded; and

WHEREAS, the Aleutians East Borough lost \$213,043 as a result of the line-item reduction; and

WHEREAS, the potential for future vetoes places great uncertainty on this program and burden on municipalities; and


WHEREAS, Alaska municipalities do not have the fiscal resources to close the State's revenue gap; and

WHEREAS, the State of Alaska should not reach a long-term solution to its revenue problems by ignoring its constitutional obligation to public education.


NOW, THEREFORE, BE IT RESOLVED THAT the Aleutians East Borough supports full annual funding of school bond debt reimbursement and increased state aid for construction in Regional Educational Attendance Areas.

PASSED AND APPROVED BY THE ASSEMBLY OF THE ALEUTIANS EAST BOROUGH on this 10th day of January, 2019.

IN WITNESS THERETO:


Alvin D. Osterback, Mayor

ATTEST:


Tina Anderson, Borough Clerk