



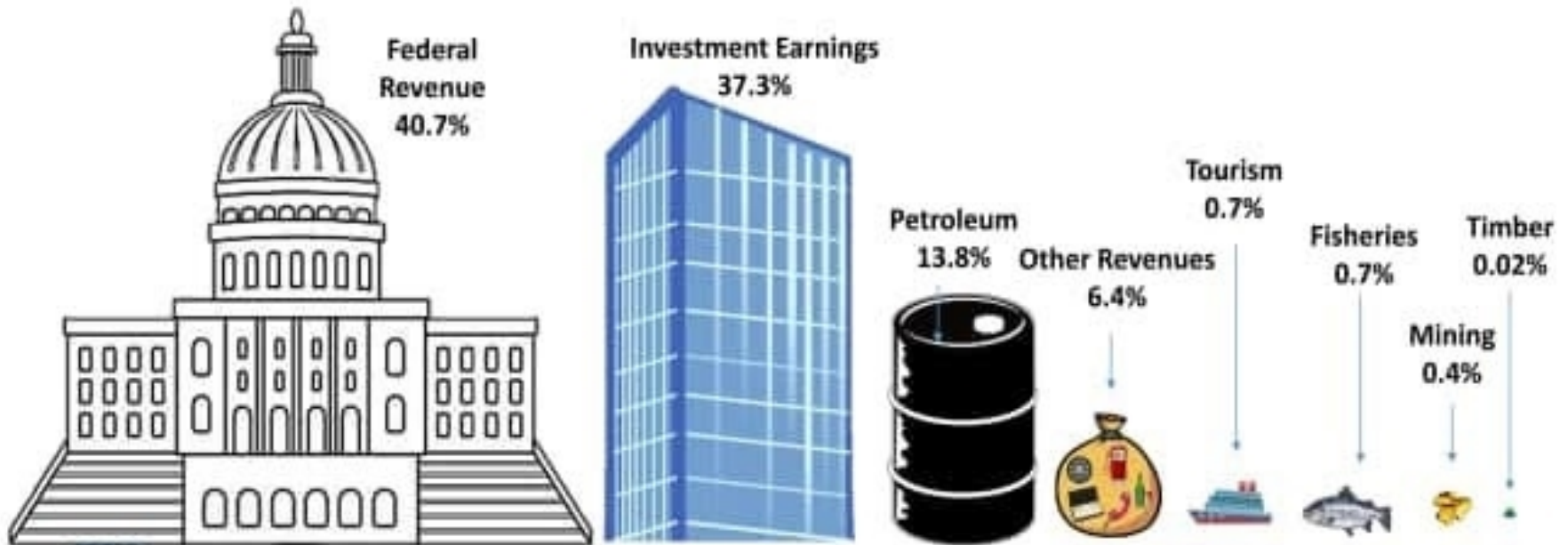
J&H Consulting

Legislative
Update for
NWABSD
April 2025

Revenue:

Relative Contributions to Total State Revenue: FY 2025

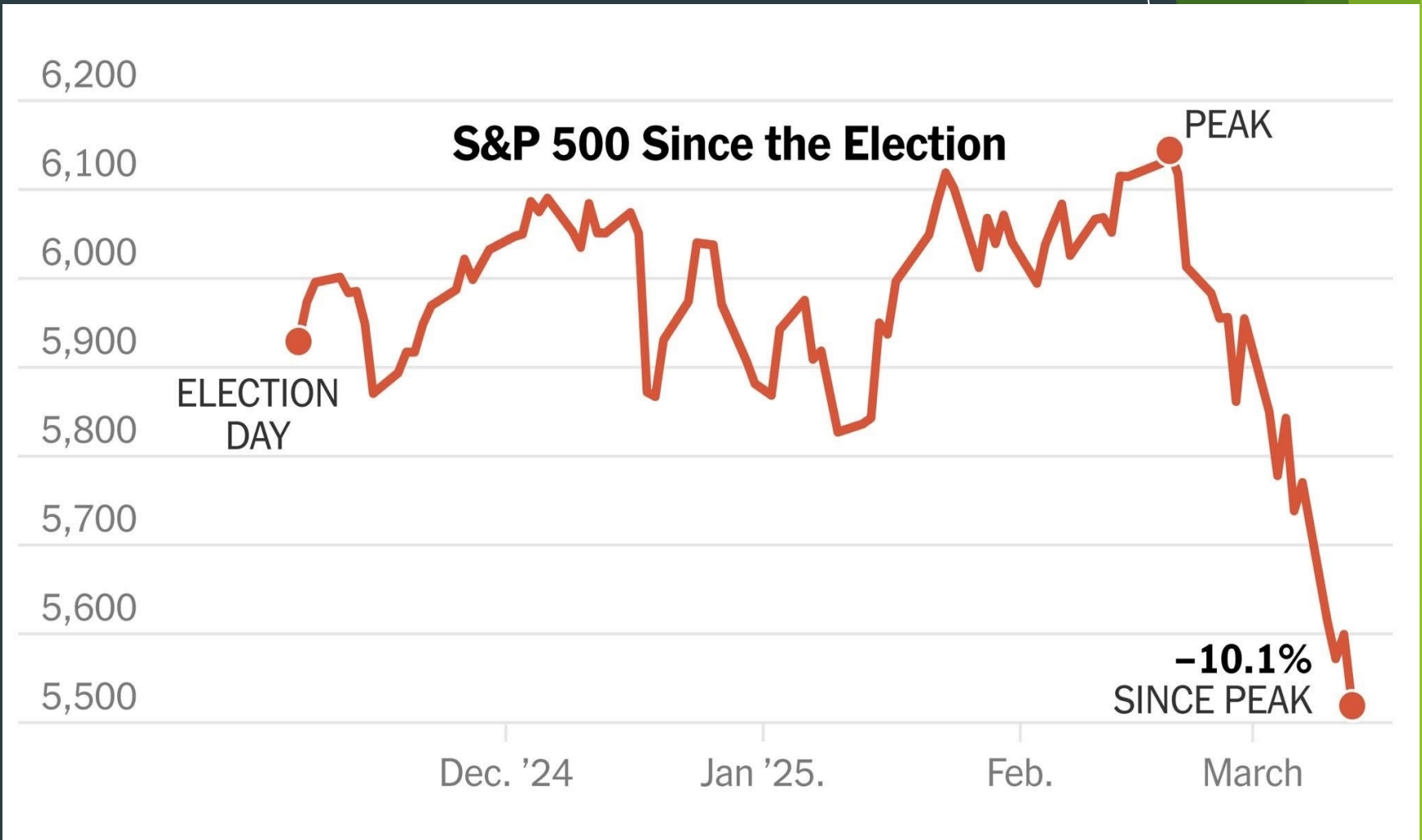
Total State Revenue: \$16.8 Billion




Disclaimer: Numbers may not add to 100% due to rounding. Examples may not be to scale.

Source: DOR Fall 2024 Revenue Forecast

Fiscal Slide:



Oil Slide:

 **JUST IN: Oil prices plunge to the lowest level since 2021 - WSJ**


Brent crude oil, most actively traded contract



As of April 4, 8:15 a.m. ET

OPERATING AND CAPITAL BUDGETS:

The State is facing a budget shortfall ranging from \$2 bil. with a full PFD to \$700 mil. with a \$1,400 PFD and a \$684 increase to the BSA. Capital budget limited mostly to projects with federal funding.



Many federal grants and loans are disappearing. Adds a level of uncertainty, especially with Medicaid.



Main focus: Increased education funding, balancing the state budget, gas shortage and energy, pension reform. Conversation of new revenue growing.

Education funding:

- Capital Budget: NWABSD funded for Fire System Replacement at 6 sites \$6.6 mil.
- Education funding bill is HB 69 passed the House and Senate. Was a mix of policy and BSA increase. Policy stripped out in Sen. Fin and now just a funding bill of \$1,000 BSA, main component of school funding. House concurred with Senate changes.
- Gov. says will veto and an override will require 40 votes.
- **Class Size Limits:** New provisions that would set target average maximum class sizes; 23 students for grades pre-kindergarten through sixth grade and 30 students for grades seven through twelve. Districts exceeding these limits must report the reasons and plans to comply, with potential eligibility for grant funding at stake to meet these targets. Also note a separate bill has been introduced on class size limits.
- **Open Enrollment Expansion:** The bill facilitates statewide open enrollment, allowing families to choose public schools across districts. Schools may give preference to siblings of current students, children of employees, and military families, with school capacity determined by local school boards.
- **Career and Technical Education Enhancement:** Provisions aimed at boosting career and technical training opportunities for students.

- **Charter Schools:** The state Board of Education would have reduced time to review charter school applications, and appeal processes for denials are established. It also requires the Board of Education, not just the Education Commissioner, to weigh in on charter school application appeals.
- **Homeschooling Funding Requirements:** Requires homeschooled students who receive public funding to participate in standardized testing, alternative assessments, or provide a portfolio. Per the language in the bill, it would only allow allotments to go out if a student “participated in a state standards-based summative assessment or an alternative assessment approved by the department; or submitted a student portfolio based” on established criteria. Amendment delays implementation to 2026.
- **Task Force on Education Funding:** The bill establishes a task force to tackle longer term issues, including exploring ways to reduce educational costs and finding other funding opportunities.
- **Academic Progress:** Directs the Department of Education to track and report on academic progress over time.
- **Tracking:** Directs the Departments of Education and Labor to work together to collect long-term data on high school graduates every 5 years until 20 years after graduation.
- **Retained Funds:** Revises the language around how much funding school districts can retain for the management costs of school districts, setting it at 8 percent of funding (the number proposed in the House version) or the actual accrued costs, whichever is lower.
- **Reading Grants:** Additional grants for K-3 students who are not reading at 7th grade level, instead of just offering grants for students who are reading at grade level.



**Quyanaqpak and Taikuu
Working together to advance
the priorities of NWABSD**