

ALASKA STATE LEGISLATURE

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Sectional Analysis SB 216

Section 1: AS 14.17.410(b)

Adds new language to AS 14.17.410(b)(1) to provide a “consolidation transition” that allows a school district to gradually move from their current state aid amount to a lower state aid amount after consolidation of schools and describes how and when the consolidation transition can be used.

(H) Specifies how state aide during the transition period will be calculated. The “pre-consolidation” and “post-consolidation” formula remains the same; the bill will only change how quickly the “post consolidation” amount is instituted:

(H)(i)

Consolidation Years 1 & 2: The district will receive the same funding as if the consolidated school was still separate schools.

(H)(ii)

Consolidation Year 3: The district will receive 66% of the difference between funding from pre-consolidation and post-consolidation.

(H)(iii)

Consolidation Year 4: The district will receive 33% of the difference between funding from pre-consolidation and post-consolidation.

Sections (I) – (L) specify conditions where the “consolidation transition” may not be used.

- (I) When the “transitional” state aid amount would result in lower funding than under the traditional funding formula.
- (J) When a school district is already receiving additional state aid due to the Hold Harmless Clause in AS 14.17.410(b)(1)(E).
- (K) If a new facility was constructed in order to consolidate schools.

- (L) If the school was reopened and reconsolidated within the past seven years.
- (M) Requires the district to provide the necessary information and calculations for the Department of Education and Early Development for verification, including a student count by school for the schools involved in the consolidation.

Section 2: AS 14.17.905

Adds a new subsection that allows a school that services grades K-12 in a single building and has an average daily membership (ADM) greater than 425 to be considered two separate schools for calculating state aid.

Section 3: AS 14.17.410(b)

Makes this Act applicable to schools which consolidate on or after the effective date of this bill.

Section 4: Effective Date

Provides for an immediate effective date.