

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version
() Publish Date

CSHB104(EDC)ID

Identifier (file name) HB104CS(EDC)-EED-ACPE-03-23-11
Title An Act renaming the Alaska performance scholarship and...
Sponsor House Rules Committee
Requester (H)FIN

Dept. Affected Education
Appropriation ACPE
Allocation Program Administration & Operations
OMB Component Number 2990

Expenditures/Revenues

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| | Appropriation Required | Information | | | | | |
|------------------------|---------------------------|-------------|---------|---------|---------|---------|---------|
| OPERATING EXPENDITURES | FY 2012 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants | * | * | * | * | * | * | * |
| Miscellaneous | | | | | | | |
| TOTAL OPERATING | * | * | * | * | * | * | * |

| | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|

| | | | | | | | |
|---------------------------|--|--|--|--|--|--|--|
| CHANGE IN REVENUES | | | | | | | |
|---------------------------|--|--|--|--|--|--|--|

FUND SOURCE

(Thousands of Dollars)

| | | | | | | | |
|--------------------------|------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | | |
| 1003 GF Match | | | | | | | |
| 1004 GF | | | | | | | |
| 1005 GF/Program Receipts | | | | | | | |
| 1037 GF/Mental Health | | | | | | | |
| Other (please identify) | | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2011) cost

POSITIONS

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Why this fiscal note differs from previous version (if initial version, please note as such)

This committee substitute amends the original bill by, among other changes : 1) creating a potential fund source, award income account, and investment fund for the AlaskAdvantage education grant (AEG) and Alaska performance scholarship (APS) programs; and, 2) creating a forward funding structure to provide for a phase out of funding for APS recipients who have already commenced their postsecondary education training prior to APS program wind-down. Following are estimates of the costs related to full funding of the AEG awards. Due to the uncertainty around the level of expenditure intended for these aid programs, full program cost estimates are included in the analysis but not shown in the expenditure and revenue tables above. The APS-related cost estimates are taken from the fiscal note adopted in 2010 to establish the statewide scholarship program.

Prepared by Diane Barrans, Executive Director
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Alaska Commission on Postsecondary Education

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Date/Time 3/23/11 2:30 PM
Date 3/23/2011

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BILL NO. CSHB104\D

Analysis

AEG funding estimate:

The following estimates are based upon the data for 2010-11 AEG applicants who were certified by a participating Alaska school as in an eligible enrollment status. Assuming an annual average grant award of \$1,452 for an applicant pool of 4,800 (pool size, 2009--2011), the annual cost for full (the amount that would be sufficient to fund otherwise eligible applicants in a year) AEG program funding would be \$6.9 million. This number is based upon the increased annual grant maximum passed into law by the Alaska Legislature in 2010; the annual maximum grant amount was increased from \$2,000 to \$3,000.

Total combined costs of APS/AEG student aid components

| | APS merit | AEG | Total |
|------|------------|-----------|------------|
| FY12 | \$8,221.9 | \$6,969.6 | \$15,191.5 |
| FY13 | \$14,389.3 | \$6,969.6 | \$21,358.9 |
| FY14 | \$18,502.0 | \$6,969.6 | \$25,471.6 |
| FY15 | \$20,556.6 | \$6,969.6 | \$27,526.2 |

Est. Annual AEG/APS

