



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

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and Early Development**

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To: House Finance Committee

From: Mike Hanley, Commissioner *Mike Hanley*
Department of Education & Early Development

Date: March 14, 2014

RE: Changes to HB278//Education: Funding/Tax Credits/Programs

Summary of Changes from HB 278/Version A to CSHB 278(EDC)/Version N

Title

Title change by adding relating to performance reports, relating to assessments and relating to charter schools and student transportation; by removing relating to college and career readiness assessment for secondary students, relating to charter school application appeals and program budgets.

Section changes in CSHB 278(EDC)

Sec. 1, page 2 line 1 inserts HB190 (Rep. Seaton). Intent of the section is essentially the same.

Sec. 2, page 2 line 13 removes the ACT/SAT testing language. (Rep. Reinbold amendment)

Sec. 3, page 4, line 20 inserts HB318 (Rep. Saddler) which adds an annual reporting requirement to be added to the department's annual report on schools around the attendance and performance of students whose parent/guardian is active duty military.

Sec.5, page 6, line 5 adds subsection (9) to AS 14.03.250 requiring the State Board of Education & Early Development to operate a charter school that has been approved by the state board on appeal of a denial of the application by the local school board as if the state board were a school district. (Rep. Kito amendment)

Sec. 8, page 7, line 8 requires a school district to offer to a charter school the first right of refusal for lease space in an existing school district facility. (Rep. Reinbold amendment)

Se. 9, page 7, line 14 caps a charter school's indirect rate charged by a school district at 4% and removes "pupil transportation under AS 14.09.010" from lines 11 and 12 of HB278 that specifies which funding will be generated by a student as funding for charter schools. (Rep. Reinbold amendment)

Sec. 12, page 8, line 28 adds a new subsection requiring school districts that are currently providing transportation services, will now provide those services when reasonable to charter school students. (Rep. Gattis amendment)

Sec. 13, page 14, line 19 creates a bond reimbursement program at 70/30 rate for charter school facilities from 7/1/2014 through 12/31/2017. While the program provides for 70% state reimbursement rate, there are no sideboards around space requirements as with the current debt reimbursement program. (Rep. Kito amendment)

Sec. 17, page 17, line 7 funds a charter school that has a student count of between 75-149 at the same rate as a school size of 150. (Rep. Gattis amendment by Request)

Sec. 21, page 18, line 7 changes the University of Alaska's Technical Vocational Education Program (TVEP) funding from 45% to 42% and includes a new TVEP participator, Southern Southeast Alaska Technical Education Center at 3%. (Rep. P. Wilson)

Sec. 22, page 19, line 11 adds TVEP language that includes performance and financial information the Department of Labor & Workforce Development needs to verify program performance. (Rep. Seaton).

Sec. 23, page 20, line 18; Sec. 28, page 23, line 5; Sec. 29, page 24, line 7; Sec. 31, page 25, line 23; Sec. 32, page 26, line 25; Sec. 34, page 28, line 11; and Sec. 35, page 29, line 14 adds tax credits to several existing tax credit codes that allow a nonprofit organization to fund a scholarship for a dual-credit student to defray the costs association with the course. Also allows a credit towards tax due for a contribution to the construction, operation and maintenance of a residential housing facility approved by DEED. Additionally includes a tax credit for contributions toward a childhood early learning and development programs and educational support to childhood early learning and development programs. These programs can be for profit corporations, nonprofit corporations, a tribal entity or a school district in the state. (Rep. Gattis amendments by Request; early childhood amendment, Rep. Seaton)

Sec. 37, page 30, line 9 removes the sunset provision for Alaska to apply for and receive federal grants around charter school start-up funds. (Rep. Kito amendment)

Sec. 39, page 30, line 11 changes the transition language around the re-take of the secondary school exit exam to one-year – through 6/30/2015. (Same language from Rep. Higgins' HB220)