

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: HB 278
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB278CS(EDC)-EED-SSA-3-14-14
Title: EDUCATION: FUNDING/TAX
CREDITS/PROGRAMS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: House Finance Committee

Department: Department of Education and Early Development
Appropriation: Teaching and Learning Support
Allocation: Student and School Achievement
OMB Component Number: 2796

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services							
Travel							
Services	(1,358.0)	2,759.4	(2,749.4)	(2,749.4)	(2,749.4)	(2,759.4)	(2,759.4)
Commodities							
Capital Outlay							
Grants & Benefits		434.5	434.5	434.5	434.5	434.5	434.5
Miscellaneous							
Total Operating	(1,358.0)	3,193.9	(2,314.9)	(2,314.9)	(2,314.9)	(2,324.9)	(2,324.9)

Fund Source (Operating Only)

1004 Gen Fund	(1,358.0)	3,193.9	(2,314.9)	(2,314.9)	(2,314.9)	(2,324.9)	(2,324.9)
Total	(1,358.0)	3,193.9	(2,314.9)	(2,314.9)	(2,314.9)	(2,324.9)	(2,324.9)

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **Yes**
If yes, by what date are the regulations to be adopted, amended or repealed? **09/30/14**

Why this fiscal note differs from previous version:

The CS adds reporting requirements to the DEED annual report on schools, adds the State Board of Education & Early Development to act as a school district when approving a charter school application that has been denied by a local school district, and adds one-year of transition language around the repeal of the secondary school exit exam.

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Division: <u>Deputy Director, Teaching and Learning Support</u>	Date: <u>03/14/2014 09:30 PM</u>
Approved By: <u>Mike Hanley</u>	Date: <u>03/14/14</u>
Agency: <u>Commissioner</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. CSHB278 (EDC)

Analysis

Military Reporting Requirements (Section 3): Adds additional data requirements regarding military data. AS 14.03.120 (d) (10) The Student Report Manager software system, to gather data reliably, is \$35.0 to modify. Handbook modifications and initial year district technical assistance on new reporting requirement is estimated at \$45.0. Technical assistance for districts with military personnel to establish reliable data gathering methods around these elements for three subsequent years is \$10.0 each year.

HSGQE (Section 38): AS 14.03.075 and AS 14.07.165(5) are repealed.
 Repeals the High School Graduation Qualifying Exam (HSGQE) , effective September 1, 2014.

Service line detail:

FY 15 Requested	FY15 Requested	FY 15 Governor	FY16-18	FY19-20
HSGQE	(\$1,438.0)	\$2,759.4	(\$2,759.4)	(\$2,759.4)
Military Report: Software and District Info	\$80.0			
Military Report: Data and Reporting			\$10.0	
Services Line	(\$1,358.0)	\$2,759.4	(\$2,749.4)	(\$2,759.4)
TVEP - Grants Line	0	\$434.5	\$434.5	\$434.5
Total Operating	(\$1,358.0)	\$3,193.9	(\$2,314.9)	(\$2,324.9)

Charter School Governance [Section 6 (F)]: Costs associated with this section are indeterminate and not included in the numbers on the front page of the fiscal note as it is unknown how many current charter schools or new charter schools may fall into this option if the local district does not renew or approve an application. As districts provide centralized services to support charter schools at different levels depending on the size of the charter, DEED is offering what types of costs may be associated with running a school district. These costs may include a division director (Range 27A, \$140.0); an Educational Administrator (Range 22 A, \$120.0) to provide oversight of the school(s); two Education Specialists to oversee instructional and special education programs (two range 21 A, at 105.0 each, 210.0); one School Finance Officer II for financial oversight (100.0); one admin assistant for clerical support (75.0); and Administrative Service position charge back for 5 positions (42.5). Additional costs would include centralized services to incorporate charter school staff into the state employment pool. Those costs too would depend on the number of charter schools that would fall under this provision.

TVEP (Section 17): AS 23.15.835(d) is amended.

The legislation continues the Alaska technical and vocational education program (TVEP) through June 30, 2018. The Technical and Vocational Education Fund authorized under AS 23.15.840 sunsets on June 30, 2014.

Out-year cost estimates are based on TVEP receipts included in the Department of Education & Early Development's (DEED) FY2015 budget request and will be revised annually based on the balance of the fund.

This funding is a grant from DEED to the Galena Project Education Vocational Training Center, currently \$434.5.