

Fiscal Note

State of Alaska
2014 Legislative Session

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

Identifier: HB278CS(EDC)-DOLWD-CO-03-14-14
Title: EDUCATION: FUNDING/TAX
CREDITS/PROGRAMS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: House Finance

Department: Department of Labor and Workforce Development
Appropriation: Commissioner and Administrative Services
Allocation: Commissioner's Office
OMB Component Number: 340

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		509.1	509.1	509.1	509.1	509.1	509.1
Travel							
Services		26.8	26.8	26.8	26.8	26.8	26.8
Commodities							
Capital Outlay							
Grants & Benefits	325.9	4,997.2	5,323.1	5,323.1	5,323.1	5,323.1	5,323.1
Miscellaneous							
Total Operating	325.9	5,533.1	5,859.0	5,859.0	5,859.0	5,859.0	5,859.0

Fund Source (Operating Only)

1151 VoTech Ed	325.9	5,533.1	5,859.0	5,859.0	5,859.0	5,859.0	5,859.0
Total	325.9	5,533.1	5,859.0	5,859.0	5,859.0	5,859.0	5,859.0

Positions

Full-time		5.0	5.0	5.0	5.0	5.0	5.0
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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/15

Why this fiscal note differs from previous version:

Changed to reflect the addition of the Southern Southeast Technical Education Center to the Technical and Vocational Education Program allocation (AS 23.15.835(d)).

Prepared By: Paloma Harbour, Director Phone: (907)465-5984
Division: Administrative Services Date: 03/14/2014 10:00 AM
Approved By: Dianne Blumer, Commissioner Date: 03/14/14
Agency: Office of the Commissioner

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
2014 LEGISLATIVE SESSION**

BILL NO. CSHB 278

Analysis

This proposed legislation changes the current Technical and Vocational Education Program (TVEP) allocation with a sunset of June 30, 2024. Currently, the allocation expires June 30, 2014.

Out-year cost estimates are based on the FY2015 TVEP fund balance level.

The grants line authorization represents the legislation's direct allocations that pass through the department to the Alaska Technical Center in Kotzebue; Alaska Vocational Technical Center; Northwestern Alaska Career and Technical Center; Southwest Alaska Vocational and Education Center; Yuut Elitnaurviat, Inc. People's Learning Center; Partners for Progress in Delta, Inc.; Amundsen Education Center; and Southern Southeast Technical Education Center.

Personal services and services expenses are related to TVEP grant administration and revenue collection through the unemployment insurance tax system. Expenses related to these activities must be charged to a state fund source as they are related to a state program and are not an allowable federal expense.

Position counts are based on an average personal services cost of approximately \$100.0 per full-time position and rounded to the nearest whole number.

The proposed legislation would also require the department to collect information from all the TVEP recipients to ensure they are meeting statutory requirements and to amend grants accordingly if requirements are not met.

The department already gathers information from TVEP recipients for annual reporting purposes and currently administers the grants to the TVEP recipients so no additional fiscal impact is anticipated.

Department of Labor and Workforce Development

FY2015 Technical and Vocational Education Program (TVEP) Distribution - CSHB 278 (EDC)

Prepared March 14, 2014

Entity*	CSSB 139 Percent	FY2012 Distribution	FY2013 Distribution	FY2014 Distribution	FY2015 Governor's Budget	FY2015 CSSB 139
University of Alaska	42%	4538.3	4904.2	4,842.0	4,888.6	\$ 4,562.7
University of Alaska Southeast	5%	504.3	544.9	538.0	543.2	\$ 543.2
Galena Project Education Vocational Training Center	4%	403.4	435.9	430.4	434.5	\$ 434.5
Kotzebue Technical Center	9%	907.7	980.8	968.4	977.7	\$ 977.7
Alaska Vocational Technical Center	17%	1714.5	1852.7	1,829.2	1,846.8	\$ 1,846.8
Northwestern Alaska Career and Technical Center	3%	302.6	326.9	322.8	325.9	\$ 325.9
Southwest Alaska Vocational and Education Center	3%	302.6	326.9	322.8	325.9	\$ 325.9
Yuut Elitnaurviat, Inc. People's Learning Center	9%	907.7	980.8	968.4	977.7	\$ 977.7
Delta Career Advancement Center	3%	302.6	326.9	322.8	325.9	\$ 325.9
New Frontier Vocational Technical Center	2%	201.7	218	215.2	217.3	\$ 217.3
Southern Southeast Alaska Technical Education Center	3%					\$ 325.9
Total	100%	\$ 10,085.4	\$ 10,898.0	\$ 10,760.0	\$ 10,863.5	\$ 10,863.5

TVEP funds are distributed to institutions based on the allocation outlined in AS 23.15.835(d).

*Entity names are based on what is in statute.