

Fiscal Note

State of Alaska
2014 Legislative Session

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

Identifier: HB278CS(EDC)-EED-K12-3-14-14
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: K-12 Support
Allocation: Foundation Program
OMB Component Number: 141

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							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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? **No**
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Reflects changes made in H EDC. Section 14 amends AS 14.17.450(d) by reducing the count level from 120 to 75 average daily membership (ADM) to qualify for funding at the 150 ADM category.

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Division: <u>School Finance and Facilities</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

Section 17 amends AS 14.17.450(d) by reducing the student count level from 120 to 75 that must be met in order to qualify for funding at the higher rate of the 150 average daily membership (ADM) category. Also removes the current law reduction of 95% of the higher rate for 150 ADM and funds at 100%.

In the last six years there has been between 0-2 charter schools that would qualify for this requirement; and on average the additional cost is approximately \$250K a charter school.

Based on fiscal year 2015 projections two charter schools are affected for a total dollar amount of \$483.9

The effective date is September 1, 2014.

Sections 18-20 amends AS 14.17.470 by increasing the base student allocation (BSA) of \$5,680 for the next three fiscal years.

The increases are as follows:

- * FY2015: \$85 to \$5,765 totaling \$21,063,557.
- * FY2016: \$58 to \$5,823 totaling \$14,365,810.
- * FY2017: \$58 to \$5,881 totaling \$14,365,809.

The effective dates are July 1, 2014, July 1, 2015, and July 1, 2016, respectively.

These funds are deposited in the public education fund (PEF); a second fiscal note posting the expenditures to the PEF is attached.

Department of Education & Early Development

Prepared 1/21/2014

FN: BSA Increase for FY15 - FY17

School District	FY2015	FY2016	FY2017
	BSA \$5,765 BSA increase of \$85	\$5,823 Yr 2 BSA increase \$58	\$5,881 Yr 3 BSA increase \$58
Alaska Gateway	\$ 116,325	\$ 79,375	\$ 79,375
Aleutian Region	19,214	13,110	13,110
Aleutians East Borough	82,323	56,173	56,173
Anchorage	6,300,208	4,298,965	4,298,965
Annette Island	64,873	44,267	44,267
Bering Strait	575,532	392,716	392,717
Bristol Bay Borough	34,093	23,263	23,263
Chatham	46,985	32,061	32,060
Chugach	39,687	27,080	27,080
Copper River	97,764	66,710	66,710
Cordova	63,598	43,397	43,397
Craig	76,683	52,324	52,325
Delta/Greely	148,381	101,248	101,248
Denali Borough	100,756	68,752	68,751
Dillingham	107,084	73,069	73,069
Fairbanks N. Star Borough	2,248,654	1,534,375	1,534,376
Galena	299,970	204,685	204,686
Haines Borough	53,073	36,215	36,215
Hoonah	35,820	24,443	24,442
Hydaburg	22,798	15,556	15,556
Iditarod Area	85,013	58,008	58,009
Juneau Borough	744,152	507,775	507,774
Kake	28,708	19,589	19,589
Kashunamiut	80,079	54,641	54,642
Kenai Peninsula Borough	1,460,987	996,909	996,908
Ketchikan Gateway Borough	404,180	275,793	275,794
Klawock	35,531	24,244	24,245
Kodiak Island Borough	442,438	301,900	301,899
Kuspuk	111,876	76,339	76,339
Lake & Peninsula Borough	136,086	92,859	92,860
Lower Kuskokwim	1,096,227	748,013	748,013
Lower Yukon	587,673	401,000	401,001
Mat-Su Borough	2,532,518	1,728,072	1,728,071
Nenana	96,096	65,571	65,572
Nome	144,622	98,683	98,683
North Slope Borough	450,425	307,349	307,349
Northwest Arctic Borough	565,387	385,793	385,793
Pelican	13,850	2,479	2,478
Petersburg	96,527	65,865	65,865
Pribilof	29,989	20,464	20,463
Saint Mary's	51,031	34,822	34,821
Sitka Borough	250,214	170,734	170,734
Skagway	17,581	11,996	11,996
Southeast Island	83,301	56,841	56,842
Southwest Region	191,356	130,573	130,572
Tanana	17,280	11,791	11,790
Unalaska	88,830	60,613	60,614
Valdez	114,824	78,350	78,350
Wrangell	55,481	37,858	37,857
Yakutat	23,831	16,262	16,261
Yukon Flats	112,706	76,906	76,906
Yukon/Koyukuk	190,659	130,097	130,097
Yupitit	131,933	90,026	90,025
Mt. Edgecumbe High School	58,345	39,811	39,812
TOTAL	\$ 21,063,557	\$ 14,365,810	\$ 14,365,809