

FISCAL NOTE

STATE OF ALASKA
2014 LEGISLATIVE SESSION

Bill Version SCS CSHB 278
 Fiscal Note Number _____
 () Publish Date _____

Identifier (file name) HB278SCSCS-EED-BHG-4-17-14-DRAFT Dept. Affected Education & Early Development
 Title Education: Funding/Tax Credits/Programs Appropriation K-12 Support
 Allocation Boarding Home Grants
 Sponsor Rules by Request of the Governor
 Requester Senate Finance Committee OMB Component Number 148

Expenditures/Revenues (Thousands of Dollars)

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

	FY15 Appropriation Requested	Included in Governor's FY15 Request	Out-Year Cost Estimates				
			FY16	FY17	FY18	FY19	FY20
OPERATING EXPENDITURES	FY15	FY15	FY16	FY17	FY18	FY19	FY20
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits	2,249.5	4,710.8	2,249.5	2,249.5	2,249.5	2,249.5	2,249.5
Miscellaneous							
TOTAL OPERATING	2,249.5	4,710.8	2,249.5	2,249.5	2,249.5	2,249.5	2,249.5

FUND SOURCE (Thousands of Dollars)

	FY15	FY15	FY16	FY17	FY18	FY19	FY20
1002 Federal Receipts							
1003 GF Match							
1004 GF	2,249.5	4,710.8	2,249.5	2,249.5	2,249.5	2,249.5	2,249.5
1005 GF/Prgm (DGF)							
1007 I/A Rcpts (Other)							
1156 Rcpt Svcs (DGF)							
	2,249.5	4,710.8	2,249.5	2,249.5	2,249.5	2,249.5	2,249.5

POSITIONS

	FY15	FY15	FY16	FY17	FY18	FY19	FY20
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES

Estimated SUPPLEMENTAL (FY14) operating costs 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY15) costs 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 If yes, by what date are the regulations to be adopted, amended, or repealed? _____ Discuss details in analysis section.

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

Initial version.

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 Approved by Mike Hanley
 Division Commissioner

Phone (907) 465-8679
 Date/Time 4/17/14 6:00 PM
 Date 4/17/2014

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
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BILL NO. SCS CSHB 278

Analysis

Section 25 of the legislation amends AS 14.16.200, State funding for districts operating residential schools.

This legislation increases the stipend rate to 1.5 times the current law beginning in FY2015.

The calculations and fiscal note cost include the seven currently approved programs.

The residential program per pupil monthly stipend is paid for nine months, times the rate, times the actual student count. The calculation is as follows:

<u>Program</u>	<u>Maximum Capacity</u>	<u>Region</u>	<u>Current Rate</u>	<u>Current Total</u>	<u>New Rate</u>	<u>New Total</u>	<u>Increase in State Cost</u>
Anchorage	4	Region II	\$800	\$28,800	\$1,200	\$43,200	\$14,400
Chugach	24	Region II	\$800	\$172,800	\$1,200	\$259,200	\$86,400
Nenana	88	Region III	\$968	\$766,656	\$1,452	\$1,149,984	\$383,328
Lower Kuskokwim	35	Region IV	\$1,006	\$316,890	\$1,509	\$475,335	\$158,445
Galena	210	Region V	\$1,184	\$2,237,760	\$1,776	\$3,356,640	\$1,118,880
Bering Strait	26	Region V	\$1,184	\$277,056	\$1,776	\$415,584	\$138,528
NW Arctic	40	Region V	\$1,184	\$426,240	\$1,776	\$639,360	\$213,120
		Totals:		\$4,226,202		\$6,339,303	\$2,113,101

The program also provides for one round trip ticket per student, at the least expensive means, between the student's community of residence and the school if the district expends money for the trip.

Total per pupil monthly stipends per legislation	\$6,339,303
Additional cost of round trip tickets for all seven programs based on FY2015 Budget	\$ 435,081
Add Boarding Home Program (AS 14.07.030)	<u>\$ 185,900</u>
Total:	\$6,960,284

Total appropriation in budget	\$4,710,800
Total funding necessary under legislation:	<u>\$6,960,284</u>
Additional funding necessary to fund residential (fiscal note)	\$2,249,484

The effective date for this legislation is July 1, 2014.