

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version:	SCS CSHB 278(FIN)
Fiscal Note Number:	29
(S) Publish Date:	4/19/2014

Identifier: HB278SCSCS(FIN)-EED-BHG-4-19-14
Title: EDUCATION
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Senate Finance Committee

Department: Department of Education and Early Development
Appropriation: K-12 Support
Allocation: Boarding Home Grants
OMB Component Number: 148

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates				
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	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 (Operating Only)

1004 Gen Fund	2,249.5	4,710.8	2,249.5	2,249.5	2,249.5	2,249.5	2,249.5
Total	2,249.5	4,710.8	2,249.5	2,249.5	2,249.5	2,249.5	2,249.5

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If yes, by what date are the regulations to be adopted, amended or repealed?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:

Initial Version

Prepared By: Elizabeth Nudelman, Director
Division: School Finance and Facilities
Approved By: Mike Hanley
Agency: Commissioner

Phone: (907)465-8679
Date: 04/19/2014 03:00 PM
Date: 04/19/14

REPORTED OUT OF
SFC 04/19/2014

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. SCS CSHB 278

Analysis

This legislation amends AS 14.16.200, State funding for districts operating residential schools.

It 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.