REPRESENTATIVE
ERIC FEIGE
House District 6

House Resources Committee Co-Chair
Transportation Committee
Joint Armed Services Committee

Alaska State Legislature

House of Representatives

SPONSOR STATEMENT – HB 27

"An Act relating to student counts, unreserved school operating fund balances, restrictions on school district money, and estimates for public school funding; and providing for an effective date."

Our school districts need effective tools to plan and budget for the education of our children.

Currently school districts don't have full knowledge of their funding levels until midway through the district's fiscal year – creating financial uncertainty during the budgeting process and into the school year. House Bill 27 helps districts complete the budget process and determine staffing levels by changing the way student counts are used, thus eliminating unnecessary layoff notices, allowing districts to execute employment contracts earlier, and improving the stability of the education climate in the state.

Funding for each school district in the state is based upon a count under A.S. 14.17.600. Counts are currently conducted in October and certified in January – more than half way through the district's fiscal year.

Under HB 27, districts will use the student count certified in January to create the budget for the upcoming fiscal year. For example, the count conducted in October 2014 and certified in January 2015 will establish the student count used to calculate the district's funding for the 2016 fiscal year, which begins July 1 of 2015.

The bill also increases the maximum reserve fund amount for districts from 10% to 15% and protects school districts from the practice in some municipalities where money allocated for education must be returned to the municipality if not spent within the current year.

HB 27 does not change the foundation formula or other funding amounts for education.

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