

# Fiscal Note

State of Alaska  
2016 Legislative Session

Bill Version: HB 156  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB156-EED-SSA-3-11-16  
Title: SCHOOL ACCOUNTABILITY MEASURES; FED.  
LAW  
Sponsor: KELLER  
Requester: House Education Committee

Department: Department of Education and Early Development  
Appropriation: Teaching and Learning Support  
Allocation: Student and School Achievement  
OMB Component Number: 2796

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2017 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>OPERATING EXPENDITURES</b>	<b>FY 2017</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	<b>0.0</b>	***	***	***	***	***

## Fund Source (Operating Only)

None							
<b>Total</b>	***	<b>0.0</b>	***	***	***	***	***

## Positions

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>							
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**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2017) 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If yes, by what date are the regulations to be adopted, amended or repealed? 09/30/16

## Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By: <u>Paul R. Prussing, Acting Director</u>	Phone: <u>(907)465-8721</u>
Division: <u>Teaching and Learning Support</u>	Date: <u>03/11/2016 03:00 PM</u>
Approved By: <u>Susan McCauley, Interim Commissioner</u>	Date: <u>03/11/16</u>
Agency: <u>Department of Education &amp; Early Development</u>	

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

BILL NO. HB 156

### Analysis

Section 1 amends AS 14.03.123, School and District Accountability, (c)(4) by removing the requirement of the commissioner to add additional performance measures in the state accountability system just to comply with federal law. Section 1 also adds a new part (c)(5), which is a specific requirement for the state to compare our public school system to other public school systems in other states and countries. The department would be required to create a new system to meet the requirements of (c)(5) with state funds. Without a clear definition of what elements are to be compared, the fiscal impact of this legislation cannot be accurately determined at this time.

Section 2 amends AS 14.03.123, School and District Accountability, (d) by stating "The improvement plan must give preference to measures that increase local control of education and parental choice and that do not require a direct increase in state or federal funding for the school or district." Current improvement plans meet this requirement.

Section 3 amends AS 14.03.123, School and District Accountability, (e) by amending the school recognition program to conform with the change made in Section 4.

Section 4 amends AS 14.03.123, School and District Accountability, (f) by removing the department's requirement to establish a state accountability system that also meets the federal Elementary and Secondary Education Act (ESEA) requirements. The current accountability system is a state driven model, which meets current federal requirements. The U.S. Department of Education reviewed and approved the Alaska specific accountability plan, which enables the state to receive federal education funds. Fiscal impact: potential loss of federal education funds under ESEA if we don't have a system compliant with state and federal law, which includes Impact Aid is currently \$200.2 million.

Section 5 amends AS 14.03.123, School and District Accountability, by adding a new subsection (h), which allows parents of students, and emancipated students or students who are 18, to opt out of assessments used for school accountability. Because participation in assessment is necessary for understanding school and student performance, for helping students improve achievement, and to be compliant with state and federal laws, this may have fiscal impacts that includes the loss of federal funds under ESEA. Additionally, this section includes limits on data that may prevent analysis sought by public policy makers and required in Section 1.

Section 6 amends AS 14.07.020, Duties of the department, (a)(16)(B) by makes a technical change.

The fiscal note is indeterminate as this legislation requires the department to establish a system of accountability that is comparable to other states and countries. Currently EED does not have the tools to build an accountability system of this design.

The effective date of this legislation is January 1, 2016.