

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: SB 99
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB099-EED-PEF-1-26-18
Title: PRE-ELEMENTARY PROGRAMS/FUNDING
Sponsor: BEGICH
Requester: Senate Education Committee

Department: Fund Capitalization
Appropriation: Fund Capitalization (no approps out)
Allocation: Public Education Fund (starts FY17)
OMB Component Number: 2804

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	2,363.9		4,539.5	8,005.0	11,470.4	11,470.4	11,470.4
Miscellaneous							
Total Operating	2,363.9	0.0	4,539.5	8,005.0	11,470.4	11,470.4	11,470.4

Fund Source (Operating Only)

1004 Gen Fund (UGF)	2,363.9		4,539.5	8,005.0	11,470.4	11,470.4	11,470.4
Total	2,363.9	0.0	4,539.5	8,005.0	11,470.4	11,470.4	11,470.4

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) 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If yes, by what date are the regulations to be adopted, amended or repealed?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/comments:

Updated for 2nd session and to accurately reflect out year costs; the projection is updated to current year.

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Approved By: Dr. Michael Johnson, Commissioner
Agency: Department of Education & Early Development

Phone: (907)465-2875
Date: 01/26/2018
Date: 01/26/18

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

BILL NO. SB 99

Analysis

SB99 creates an early education program that is approved by the Department of Education & Early Development and funded by the state through a three-year grant process. Once those districts have completed the three-year grant cycle and the department has determined the early education program complies with adopted standards as created by the State Board of Education, then those programs may be eligible for 1/2 the full-time equivalent for average daily membership (ADM) funding under AS 14.17.410. Foundation funding would only be provided to those districts that are not already being funded by another state or federal program.

Funding was based on the existing pre-kindergarten grant program being grandfathered into SB99 resulting in the first cohort of districts being eligible for ADM funding in FY2019 and the additional cohort of districts receiving ADM funding in the out years until all districts that are eligible are accounted for.

The current pre-kindergarten grant counts as provided by the Division of Student Learning were used in calculating anticipated foundation funding. Half of the average cost per student was used as a multiplier for purposes of this fiscal note. This number was derived by using the projected FY2019 foundation report State Aid Entitlement, dividing it by the Total ADM, to arrive at \$9,180. The average per student cost was then divided in half to arrive at \$4,590, so as to be in alignment with the language in Section 7.

The calculations are as follows:

FY2019 = 515 students x \$4,590 = \$2,363,850
FY2020 = 989 students x \$4,590 = \$4,539,510
FY2021 = 1,744 students x \$4,590 = \$8,004,960
FY2022 = 2,499 students x \$4,590 = \$11,470,410

The following are those sections that impact funding in SB99:

Section 3: creates AS 14.03.135, Early education programs; grants. This outlines the three-year grant process in addition to when an early education program student is eligible to be counted in the district's ADM under AS 14.17.500. This section also defines "early education program" as a program for children who are four and five years of age and who have not attended a public school kindergarten if the program's primary function is educational.

Section 7: states that when an early education program student is eligible for the ADM count in the district they will have a full-time equivalent of .50, which could equate to .50 ADM depending on the number of days the student is in membership during the count period under AS 14.17.500.

Section 9: states an early education program student cannot be included in the student count if they are enrolled in a program funded by other state or federal funds.

No effective date has been provided.