

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version: HB 164
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB164-EED-ELC-4-15-21
Title: EARLY ED PROGRAMS; READING; VIRTUAL ED
Sponsor: TUCK
Requester: House Education

Department: Department of Education and Early Development
Appropriation: Education Support and Administrative Services
Allocation: Early Learning Coordination
OMB Component Number: 2912

Expenditures/Revenues

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

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates					
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
OPERATING EXPENDITURES								
Personal Services	322.5		322.5	322.5	322.5	322.5	322.5	322.5
Travel								
Services	44.4		32.4	32.4	32.4	32.4	32.4	32.4
Commodities	15.0							
Capital Outlay								
Grants & Benefits		474.7	474.7	474.7	474.7	474.7	474.7	474.7
Miscellaneous								
Total Operating	381.9	474.7	829.6	829.6	829.6	829.6	829.6	829.6

Fund Source (Operating Only)

1004 Gen Fund (UGF)	381.9	474.7	829.6	829.6	829.6	829.6	829.6	829.6
Total	381.9	474.7	829.6	829.6	829.6	829.6	829.6	829.6

Positions

Full-time	3.0		3.0	3.0	3.0	3.0	3.0	3.0
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - 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If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/22

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

Prepared By: Heidi Teshner, Director	Phone: (907)465-2875
Division: Finance and Support Services	Date: 04/15/2021
Approved By: Lacey Sanders, Administrative Services Director	Date: 04/15/21
Agency: Office of Management and Budget	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

BILL NO. HB 164

Analysis

This bill creates four new programs: an early education program, a comprehensive reading intervention program, a school improvement reading program, and a virtual education consortium. **This fiscal note addresses the early education program.**

The early education program, created under AS 14.03.135, is approved by the Department of Education and Early Development (DEED) and funded by the state through a three-year grant process. Once those districts have completed the three-year grant cycle and DEED has determined the early education program complies with the adopted standards as created by the State Board of Education and Early Development, 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 receiving early education funding by another state or federal program. The early education program is repealed on July 1, 2032.

To operate the early education grant program starting in FY2022 through FY2032, it would require 2 Education Specialist II, Range 21, Step B/C, at \$115.6 each (\$231.2 total); and 1 Education Associate II, Range 15, Step B/C, at \$91.3. In addition, department chargebacks of \$10.8 per position would be needed (\$32.4 total), plus a one-time increment of \$5.0 per position for supplies and equipment (\$15.0 total).

These three positions would be needed in order to develop the early education grant program, including creating the standards for high-quality pre-K programs and seeking the State Board of Education and Early Development's approval of those standards, and providing on-going professional development, training, and support to grantees throughout the life of the early education grant program.

In addition, with the requirement for the State Board of Education and Early Development to adopt regulations establishing standards for an early education program, including teacher certification requirements, developmentally appropriate objectives, and accommodations, included in this fiscal note is a one-time increment of \$12.0 for legal services costs associated with these new regulations.

Total cost to DEED in salary and benefits is \$322.5 with department chargebacks of \$32.4, plus one-time increments for supplies and equipment of \$15.0 and regulations of \$12.0, for a total cost of \$381.9 in FY2022 and \$354.9 per year starting in FY2023.

A total of \$474.7 for the Parents as Teachers program is reflected in the FY2022 Governor's Request. This funding is necessary to continue the program. For purposes of estimating fiscal impact, the current appropriation of \$474.7 has been reflected each year. This estimate will be updated in out years as the program is implemented.

Costs associated with the early education program grants are reflected in the Pre-Kindergarten Grants fiscal note.

The effective date of this bill is July 1, 2021 (FY2022).