

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: HB 273
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB273-EED-FP-1-20-22
Title: INCREASE BASE STUDENT ALLOC. INFLATION
Sponsor: STORY
Requester: House Education

Department: Department of Education and Early Development
Appropriation: K-12 Aid to School Districts
Allocation: Foundation Program
OMB Component Number: 141

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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 (FY2022) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2023) 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? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

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Agency: Department of Education & Early Development

Phone: (907)465-2875
Date: 01/20/2022
Date: 01/28/22

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. HB 273

Analysis

This bill amends AS 14.17.470 by having the department, on July 1 each year, increase the base student allocation (BSA) using the preceding three-year period of the Consumer Price Index for urban Alaska (CPI-U) as prepared by the United States Department of Labor.

This fiscal note uses the Alaska annual CPI amount for 2020 (226.153) divided by the 2018 amount (225.545). $(226.153 / 225.545 = 1.003)$ The percentage difference between 2020 and 2018 is applied to the current FY2023 BSA of \$5,930 to arrive at a CPI adjusted BSA of \$5,948. $(\$5,930 \times 1.003 = \$5,948)$

Using the FY2023 projected average daily membership counts, and the CPI adjusted BSA of \$5,948, the new estimated total state entitlement would increase by approximately \$4,612,362.

The effective date of this bill is July 1, 2024 (FY2025).

Page 3 of the PEF fiscal note provides the projected funding breakdown by school district for CPI-U Alaska BSA increase.

The funding mechanism is a general fund transfer to the Public Education Fund (PEF). The fiscal note effect for FY2023 through FY2028 is reported in the fiscal note for the PEF, as the funding is deposited to the PEF, not into the Foundation Program funding component. The above analysis is presented here for explanation purposes only.

Department of Education & Early Development

Prepared by School Finance

Prepared 1/19/2022

CPI-U increase to BSA

	<i>Base Student Allocation</i>	<i>\$5,930</i>	<i>\$</i>	<i>5,948</i>	
			CPI-U 1.003 increase		
		FY2023 Proj.		to Proj. TOTAL	
		TOTAL STATE		STATE	
School District		ENTITLEMENT		ENTITLEMENT	Difference
Alaska Gateway	\$	8,751,667	\$	8,779,123	\$ 27,456
Aleutian Region		1,332,912		1,336,981	4,069
Aleutians East Borough		3,981,065		3,996,705	15,640
Anchorage		314,398,790		315,709,089	1,310,299
Annette Island		3,628,343		3,646,775	18,432
Bering Strait		30,800,589		30,928,577	127,988
Bristol Bay Borough		896,798		902,063	5,265
Chatham		3,337,723		3,348,433	10,710
Chugach		4,692,479		4,706,899	14,420
Copper River		6,823,276		6,844,899	21,623
Cordova		4,144,356		4,159,873	15,517
Craig		5,694,789		5,713,954	19,165
Delta/Greely		10,595,870		10,628,664	32,794
Denali Borough		7,133,060		7,157,870	24,810
Dillingham		5,851,981		5,872,411	20,430
Fairbanks N. Star Borough		99,522,369		99,950,339	427,970
Galena		32,763,110		32,862,719	99,609
Haines Borough		2,530,508		2,541,577	11,069
Hoonah		2,484,391		2,492,565	8,174
Hydaburg		1,778,028		1,783,531	5,503
Iditarod Area		5,763,697		5,782,648	18,951
Juneau Borough		32,953,875		33,102,788	148,913
Kake		2,233,134		2,240,784	7,650
Kashunamiut		4,474,950		4,494,421	19,471
Kenai Peninsula Borough		73,868,158		74,179,281	311,123
Ketchikan Gateway Borough		25,755,407		25,849,475	94,068
Klawock		1,759,889		1,767,179	7,290
Kodiak Island Borough		25,727,035		25,823,088	96,053
Kuspuk		6,976,761		7,004,840	28,079
Lake & Peninsula Borough		9,040,554		9,069,699	29,145
Lower Kuskokwim		61,510,954		61,745,424	234,470
Lower Yukon		32,902,651		33,032,371	129,720
Mat-Su Borough		169,508,196		170,130,857	622,661
Nenana		10,436,818		10,468,663	31,845
Nome		8,673,328		8,703,399	30,071
North Slope Borough		19,073,095		19,186,233	113,138
Northwest Arctic Borough		37,478,114		37,598,889	120,775
Pelican		459,461		460,978	1,517
Petersburg		5,596,923		5,618,159	21,236
Pribilof		973,694		978,149	4,455
Saint Mary's		3,863,824		3,875,769	11,945
Sitka Borough		10,978,127		11,024,891	46,764
Skagway		1,235,329		1,242,056	6,727
Southeast Island		4,689,669		4,703,866	14,197
Southwest Region		10,642,077		10,685,011	42,934
Tanana		752,892		755,288	2,396
Unalaska		3,862,310		3,880,906	18,596
Valdez		4,856,667		4,883,667	27,000
Wrangell		3,067,737		3,079,268	11,531
Yakutat		1,193,079		1,197,364	4,285
Yukon Flats		4,881,576		4,900,253	18,677
Yukon/Koyukuk		22,785,903		22,857,871	71,968
Yupiit		6,786,477		6,817,167	30,690
Mt. Edgecumbe High School		3,419,941		3,433,019	13,078
TOTAL	\$	1,169,324,406	\$	1,173,936,768	\$ 4,612,362