

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: SB 277
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB277-EED-FP-03-17-26
Title: EDUCATION: CORRESPOND
STUDENTS/BSA/TCHERS
Sponsor: EDUCATION
Requester: (S) 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)

	FY2027 Appropriation Requested	Included in Governor's FY2027 Request	Out-Year Cost Estimates					
			FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
OPERATING EXPENDITURES								
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	0.0

Fund Source (Operating Only)

None								
Total	0.0							

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0							

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) 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If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division: <u>Finance & Support Services</u>	Date: <u>03/17/2026</u>
Approved By: <u>Dawn Hannasch, Administrative Services Director</u>	Date: <u>03/17/2026</u>
Agency: <u>Department of Education and Early Development</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. SB277

Analysis

This bill proposes to increase the per-student amount for pupil transportation grants under AS 14.09.010. Total increase to FY2027 is estimated to be \$4,782.8 (thousands).

The bill proposes to amend the education funding formula under AS 14.17 to remove the 90 percent multiplier on correspondence average daily membership (ADM) in AS 14.17.430 and to increase the base student allocation (BSA) from \$6,660 (whole dollars) to \$6,786.54 (whole dollars).

Additionally, the projected count data provided by districts to the department under AS 14.17.500 (student count estimate), and by extension the data provided under AS 14.17.600 (student count periods), is to report on all correspondence students residing within the district, regardless of enrollment in the district's own correspondence program (if any) or another district's statewide correspondence program. Students enrolled in a program offered by the district are included in the correspondence program count; students enrolled in another district's program are included in the ADM of the school in the student's resident district with the lowest ADM. Once included in the ADM of the school, the ADM is adjusted through the foundation formula funding factors in AS 14.17.410(b). Foundation education funding increase: \$72,966.0 (thousands).

Assumptions:

- 1) FY2027 Projections do not have data relating to the resident district of the correspondence student, so data from the FY2026 October count was used; this causes the base correspondence count to change when comparing the effect of the bill.
- 2) ADM added to the lowest school in the district was not included in the community ADM count under AS 14.17.905 (facilities constituting a school).

This bill has an immediate effective date. An FY2026 supplemental amount of \$78,703.4 (thousands) will be needed if effective prior on or before June 30, 2026.

The funding mechanism is a general fund transfer to the Public Education Fund (PEF). The fiscal note effect for FY2027 through FY2032 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.