

# Fiscal Note

State of Alaska  
2026 Legislative Session

Bill Version: HB 231  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB231-EED-SSA-3-6-26  
Title: EDU:REPORTS;TEACHER  
RETENTION;RETIREMENT  
Sponsor: BURKE  
Requester: (H) Education

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

**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
<b>OPERATING EXPENDITURES</b>	<b>FY 2027</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	<b>FY 2032</b>
Personal Services	151.3		151.3	151.3	151.3	151.3	151.3
Travel	5.0		5.0	5.0	5.0	5.0	5.0
Services	288.8		122.8	122.8	122.8	122.8	122.8
Commodities	5.0						
Capital Outlay							
Grants & Benefits	88,442.5		88,442.5	88,442.5			
Miscellaneous							
<b>Total Operating</b>	<b>88,892.6</b>	<b>0.0</b>	<b>88,721.6</b>	<b>88,721.6</b>	<b>279.1</b>	<b>279.1</b>	<b>279.1</b>

**Fund Source (Operating Only)**

1004 Gen Fund (UGF)	88,892.6		88,721.6	88,721.6	279.1	279.1	279.1
<b>Total</b>	<b>88,892.6</b>	<b>0.0</b>	<b>88,721.6</b>	<b>88,721.6</b>	<b>279.1</b>	<b>279.1</b>	<b>279.1</b>

**Positions**

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

**Change in Revenues**

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

**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? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/27

**Why this fiscal note differs from previous version/comments:**

Not applicable, initial version.

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Division: Innovation and Education Excellence	Date: 03/05/2026
Approved By: Dawn Hannasch, Administrative Services Director	Date: 03/06/2026
Agency: Department of Education & Early Development	

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2026 LEGISLATIVE SESSION

BILL NO. HB231

### Analysis

This bill updates Department of Education and Early Development (DEED) reporting requirements to include reporting on working conditions and teacher housing in annual reporting on teacher turnover; requires DEED to provide financial and retirement training to teachers and paraprofessionals and mentor program support for school principals and superintendents; requires districts to implement exit interviews; and implements teacher and paraprofessional incentive payments to support teacher retention.

Additionally, this bill amends educator retirement statutes to provide a Retirement Plan Election. This provision would allow educators currently enrolled in the Defined Contribution Retirement Plan to transition to a Defined Benefit Retirement Plan.

The following costs will be required to support implementation of the recruitment and retention activities of this bill:

Regulation updates of \$6.0 will be required as a one-time cost.

One Education Specialist 2 at \$151.3 annually to support incentive grant implementation, school and principal leader mentoring programs, required data collections, and on going data-based recommendations for teacher retention and recruitment. Ongoing department chargeback costs associated with the position would be \$22.8 annually. \$5.0 annually for travel to provide retention and recruitment support and training. A one-time cost of \$5.0 for the position would be needed to purchase necessary equipment and supplies.

A one-time cost of \$10.0 to collect district data regarding working conditions for teachers and paraprofessionals, local housing availability, and aggregated teacher exit survey data.

A one-time cost of \$150.0 to establish financial planning and retirement training for teachers and paraprofessionals. Funds would support vendor costs for creating trainings in partnership with the Department of Retirement and Benefits to be posted to DEED's E-Learning site.

Annual costs of \$100.0 to contract with a vendor to create a principal and superintendent mentor training and to implement annually.

For the lump sum teacher payments, using the 2024-2025 Teacher Count data and the distribution by district as outlined in the bill, the total grant payments are estimated to be \$51,710.0 for teacher stipends annually from FY2027 through FY2029. In addition, since the lump sum payments are considered compensation for the purposes of TRS, the employer contribution, estimated to be \$6,494.8 (\$51,710.0 multiplied by 12.56%), is included to provide support to school districts in making these payments directly to TRS. The funding DEED grants to schools would include the employer contribution to the TRS.

For the lump sum paraprofessional payments, using the 2024-2025 Teacher count data and the distribution by district as outlined in the bill, the total grant payments are estimated to be \$24,785.0 for paraprofessional stipends annually from FY2027 through FY2029. In addition, since the lump sum payments are considered compensation for the purposes of PERS, the employer contribution, estimated to be \$5,452.7 (\$24,785 multiplied by 22%), is included to provide support to school districts in making these payments directly to PERS. The funding DEED grants to schools would include the employer contribution to PERS.