

Fiscal Note

State of Alaska
2026 Legislative Session

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

Identifier: HB231CS(EDC)-EED-SSA-3-31-26
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	FY 2032
OPERATING EXPENDITURES								
Personal Services	302.6		302.6	302.6	302.6	302.6	302.6	302.6
Travel	5.0		5.0	5.0	5.0	5.0	5.0	5.0
Services	595.6		145.6	145.6	145.6	145.6	145.6	145.6
Commodities	10.0							
Capital Outlay								
Grants & Benefits	88,442.5		88,442.5	88,442.5				
Miscellaneous								
Total Operating	89,355.7	0.0	88,895.7	88,895.7	453.2	453.2	453.2	453.2

Fund Source (Operating Only)

1004 Gen Fund (UGF)	89,355.7		88,895.7	88,895.7	453.2	453.2	453.2
Total	89,355.7	0.0	88,895.7	88,895.7	453.2	453.2	453.2

Positions

Full-time	2.0		2.0	2.0	2.0	2.0	2.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	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? 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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/27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:

Updated to reflect changes made in version H.

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Division: <u>Innovation and Education Excellence</u>	Date: <u>03/30/2026</u>
Approved By: <u>Dawn Hannasch, Administrative Services Director</u>	Date: <u>03/31/26</u>
Agency: <u>Department of Education and Early Development</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. CSHB231

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 DEED to establish educator housing subsidy and upgrade grants; 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 this bill:

Regulation updates of \$40.0 will be required as a one-time cost, as updated regulations related to retirement and benefits will be extensive.

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 of \$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 establish a district data collection 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 and/or administer a principal and superintendent mentor training annually.

In order to determine if an international accrediting association meets the requirements of AS 14.20.020, DEED would need to establish an evaluation rubric and hire staff to evaluate accrediting associations on a case-by-case basis. To support this process, DEED would require the services of a vendor with expertise in education accreditation to create an evaluation rubric and support DEED staff in initial implementation, this would accrue a one-time cost of \$250.0. To ensure capacity for evaluating accrediting associations, DEED would require an Education Specialist 2, at an annual cost of \$151.3, with \$22.8 in annual chargebacks. Additional one-time costs would be \$5.0 for supplies and equipment for the new staff.

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.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. CSHB231

Analysis

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.