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**CS FOR SENATE BILL NO. 84(EDC)**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SEVENTH LEGISLATURE - FIRST SESSION  
BY THE SENATE EDUCATION COMMITTEE

**Offered:**

**Referred:**

**Sponsor(s): SENATE EDUCATION COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to funding for high school vocational and technical instruction as a  
2 component of funding for public schools; increasing the base student allocation used in  
3 the public school funding formula; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 14.17.410(b) is amended to read:

6 (b) Public school funding consists of state aid, a required local contribution,  
7 and eligible federal impact aid determined as follows:

8 (1) state aid equals basic need minus a required local contribution and  
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum  
10 obtained under (D) of this paragraph, multiplied by the base student allocation set out  
11 in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by  
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) the number obtained under (A) of this paragraph is

1 multiplied by the district cost factor described in AS 14.17.460;

2 (C) the ADMs of each school in a district, as adjusted  
3 according to (A) and (B) of this paragraph, are added; the sum is then  
4 multiplied by the special needs factor set out in AS 14.17.420(a)(1) **and the**  
5 **high school vocational education factor set out in AS 14.17.420(a)(3);**

6 (D) the number obtained for intensive services under  
7 AS 14.17.420(a)(2) and the number obtained for correspondence study under  
8 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

9 (E) notwithstanding (A) - (C) of this paragraph, if a school  
10 district's ADM adjusted for school size under (A) of this paragraph decreases  
11 by five percent or more from one fiscal year to the next fiscal year, the school  
12 district may use the last fiscal year before the decrease as a base fiscal year to  
13 offset the decrease, according to the following method:

14 (i) for the first fiscal year after the base fiscal year  
15 determined under this subparagraph, the school district's ADM adjusted  
16 for school size determined under (A) of this paragraph is calculated as  
17 the district's ADM adjusted for school size, plus 75 percent of the  
18 difference in the district's ADM adjusted for school size between the  
19 base fiscal year and the first fiscal year after the base fiscal year;

20 (ii) for the second fiscal year after the base fiscal year  
21 determined under this subparagraph, the school district's ADM adjusted  
22 for school size determined under (A) of this paragraph is calculated as  
23 the district's ADM adjusted for school size, plus 50 percent of the  
24 difference in the district's ADM adjusted for school size between the  
25 base fiscal year and the second fiscal year after the base fiscal year;

26 (iii) for the third fiscal year after the base fiscal year  
27 determined under this subparagraph, the school district's ADM adjusted  
28 for school size determined under (A) of this paragraph is calculated as  
29 the district's ADM adjusted for school size, plus 25 percent of the  
30 difference in the district's ADM adjusted for school size between the  
31 base fiscal year and the third fiscal year after the base fiscal year;

(F) the method established in (E) of this paragraph is available to a school district for the three fiscal years following the base fiscal year determined under (E) of this paragraph only if the district's ADM adjusted for school size determined under (A) of this paragraph for each fiscal year is less than the district's ADM adjusted for school size in the base fiscal year;

(G) the method established in (E) of this paragraph does not apply to a decrease in the district's ADM adjusted for school size resulting from a loss of enrollment that occurs as a result of a boundary change under AS 29;

(2) the required local contribution of a city or borough school district is the equivalent of a four mill tax levy on the full and true value of the taxable real and personal property in the district as of January 1 of the second preceding fiscal year, as determined by the Department of Commerce, Community, and Economic Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a district's basic need for the preceding fiscal year as determined under (1) of this subsection.

\* **Sec. 2.** AS 14.17.420(a) is amended to read:

(a) As a component of public school funding, a district is eligible for special needs **and high school vocational and technical instruction** funding and may be eligible for intensive services funding as follows:

(1) special needs funding is available to a district to assist the district in providing special education, gifted and talented education, vocational education, and bilingual education services to its students; a special needs funding factor of 1.20 shall be applied as set out in AS 14.17.410(b)(1);

(2) in addition to the special needs funding for which a district is eligible under (1) of this subsection, a district is eligible for intensive services funding for each special education student who needs and receives intensive services and is enrolled on the last day of the count period; for each such student, intensive services funding is equal to the intensive student count multiplied by 13;

(3) in addition to the special needs and intensive services funding available under (1) and (2) of this subsection, high school vocational and

1           technical instruction funding is available to assist districts in providing vocational  
2           and technical instruction to students who are enrolled in grades nine through 12;  
3           a high school vocational and technical instruction funding factor of 1.01 shall be  
4           applied as set out in AS 14.17.410(b)(1); in this paragraph, "vocational and  
5           technical instruction" excludes costs associated with  
6            (A) administrative expenses; and  
7            (B) instruction in general literacy, mathematics, and job  
8           readiness skills.

9 \* Sec. 3. AS 14.17.440(a) is amended to read:

10           (a) Except as provided in AS 14.17.400(b), funding for state boarding schools  
11           established under AS 14.16.010 includes an allocation from the public education fund  
12           in an amount calculated by

13            (1) determining the ADM of state boarding schools by applying the  
14           school size factor to the student count as described in AS 14.17.450;

15            (2) multiplying the number obtained under (1) of this subsection by the  
16           special needs factor in AS 14.17.420(a)(1) **and the high school vocational education**  
17           **factor set out in AS 14.17.420(a)(3)** and multiplying that product by the base student  
18           allocation; and

19            (3) multiplying the product determined under (2) of this subsection by  
20           the district cost factor that is applicable to calculation of the state aid for the adjacent  
21           school district under AS 14.17.460.

22 \* Sec. 4. AS 14.17.470 is amended to read:

23           **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$5,790**  
24           [\$5,680].

25 \* Sec. 5. AS 14.17.470, as amended by sec. 4 of this Act, is amended to read:

26           **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$5,905**  
27           [\$5,790].

28 \* Sec. 6. AS 14.17.470, as amended by secs. 4 and 5 of this Act, is amended to read:

29           **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$6,025**  
30           [\$5,905].

31 \* Sec. 7. Sections 1 - 4 of this Act take effect July 1, 2011.

1      \* **Sec. 8.** Section 5 of this Act takes effect July 1, 2012.

2      \* **Sec. 9.** Section 6 of this Act takes effect July 1, 2013.