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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

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

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

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

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

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

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

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

multiplied by the district cost factor described in AS 14.17.460;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* **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.