FISCAL NOTE

STATE OF ALASKA
2014 LEGISLATIVE SESSION

Bill Version: **SCS CSHB 278**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB278SCSCS-EED-BHG-4-17-14-DRAFT
Title: Education: Funding/Tax Credits/Programs
Sponsor: Rules by Request of the Governor
Requester: Senate Finance Committee

Dept. Affected: Education & Early Development
Appropriation: K-12 Support
Allocation: Boarding Home Grants
OMB Component Number: 148

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY15 Appropriation Requested	Included in Governor's FY15 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY15**	**FY15**	**FY16**	**FY17**	**FY18**	**FY19**	**FY20**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits	2,249.5	4,710.8	2,249.5	2,249.5	2,249.5	2,249.5	2,249.5
Miscellaneous							
TOTAL OPERATING	**2,249.5**	**4,710.8**	**2,249.5**	**2,249.5**	**2,249.5**	**2,249.5**	**2,249.5**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	2,249.5	4,710.8	2,249.5	2,249.5	2,249.5	2,249.5	2,249.5
1005	GF/Prgm (DGF)							
1007	I/A Rcpts (Other)							
1156	Rcpt Svcs (DGF)							
		2,249.5	**4,710.8**	**2,249.5**	**2,249.5**	**2,249.5**	**2,249.5**	**2,249.5**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY14) operating costs 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY15) costs 0.0 *(separate capital appropriation required)*
(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If yes, by what date are the regulations to be adopted, amended, or repealed? Discuss details in analysis section.

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version.

Prepared by: Elizabeth Nudelman, Director — Phone: (907) 465-8679
Division: School Finance and Facilities — Date/Time: 4/17/14 6:00 PM
Approved by: Mike Hanley — Date: 4/17/2014
Division: Commissioner

(Revised 8/16/2013 OMB)

FISCAL NOTE ANALYSIS

STATE OF ALASKA **BILL NO.** SCS CSHB 278
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Analysis

Section 25 of the legislation amends AS 14.16.200, State funding for districts operating residential schools.

This legislation increases the stipend rate to 1.5 times the current law beginning in FY2015.

The calculations and fiscal note cost include the seven currently approved programs.

The residential program per pupil monthly stipend is paid for nine months, times the rate, times the actual student count. The calculation is as follows:

Program	Maximum Capacity	Region	Current Rate	Current Total	New Rate	New Total	Increase in State Cost
Anchorage	4	Region II	$800	$28,800	$1,200	$43,200	$14,400
Chugach	24	Region II	$800	$172,800	$1,200	$259,200	$86,400
Nenana	88	Region III	$968	$766,656	$1,452	$1,149,984	$383,328
Lower Kuskokwim	35	Region IV	$1,006	$316,890	$1,509	$475,335	$158,445
Galena	210	Region V	$1,184	$2,237,760	$1,776	$3,356,640	$1,118,880
Bering Strait	26	Region V	$1,184	$277,056	$1,776	$415,584	$138,528
NW Arctic	40	Region V	$1,184	$426,240	$1,776	$639,360	$213,120
			Totals:	$4,226,202		$6,339,303	$2,113,101

The program also provides for one round trip ticket per student, at the least expensive means, between the student's community of residence and the school if the district expends money for the trip.

Total per pupil monthly stipends per legislation	$6,339,303
Additional cost of round trip tickets for all seven programs based on FY2015 Budget	$ 435,081
Add Boarding Home Program (AS 14.07.030)	$ 185,900
Total:	$6,960,284
Total appropriation in budget	$4,710,800
Total funding necessary under legislation:	$6,960,284
Additional funding necessary to fund residential (fiscal note)	$2,249,484

The effective date for this legislation is July 1, 2014.