

AMENDMENT

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OFFERED IN THE HOUSE
TO: HB 105

BY REPRESENTATIVE HIMSCHOOT

Page 1, line 2, following "records;":

Insert "relating to school funding; relating to charter schools; relating to state
boarding schools;"

Page 3, following line 21:

Insert new bill sections to read:

"* Sec. 5. AS 14.03.260(a) is amended to read:

(a) A local school board shall provide an approved charter school with an annual program budget. The budget shall be not less than the amount generated by the students enrolled in the charter school less administrative costs retained by the local school district, determined by applying the indirect cost rate approved by the department up to four percent. Costs directly related to charter school facilities, including rent, utilities, and maintenance, may not be included in an annual program budget for the purposes of calculating the four percent cap on administrative costs under this subsection. A local school board shall provide a charter school with a report itemizing the administrative costs retained by the local school board under this section. The "amount generated by students enrolled in the charter school" is to be determined in the same manner as it would be for a student enrolled in another public school in that school district and includes funds generated by grants, appropriations, federal impact aid, the required local contribution, the local contribution under AS 14.17.410(c), special needs under AS 14.17.420(a)(1), [AND] secondary school vocational and technical instruction under AS 14.17.420(a)(3), and parental involvement initiatives under AS 14.17.420(a)(4). A school district shall direct state

aid under AS 14.11 for the construction or major maintenance of a charter school facility to the charter school that generated the state aid, subject to the same terms and conditions that apply to state aid under AS 14.11 for construction or major maintenance of a school facility that is not a charter school.

* Sec. 6. 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 secondary school vocational and technical instruction funding factor set out in AS 14.17.420(a)(3), **and the parental involvement initiatives funding factor set out in AS 14.17.420(a)(4);**

(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 or under (H) and (I) 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

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

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

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

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

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

27 (H) notwithstanding (A) - (C) of this paragraph, if one or more
28 schools close and consolidate with one or more other schools in the same
29 community and district and, as a result of the consolidation, basic need
30 generated by the district's ADM of the consolidated schools as adjusted under
31 (A) - (C) of this paragraph decreases, the district may use the last fiscal year

1 before the consolidation as the base fiscal year to offset that decrease for the
2 first four fiscal years following consolidation according to the following
3 method:

4 (i) for the first two fiscal years after the base fiscal year,
5 the district's ADM of the consolidated schools as adjusted under (A) -
6 (C) of this paragraph is calculated by dividing the sum of the district's
7 ADM of the consolidated schools as adjusted under (A) - (C) of this
8 paragraph for the base fiscal year by the sum of the district's ADM of
9 the consolidated schools for the base fiscal year without adjustment,
10 and subtracting the quotient obtained by dividing the district's ADM of
11 the consolidated schools for the current fiscal year as adjusted under
12 (A) - (C) of this paragraph by the sum of the district's ADM of the
13 consolidated schools for the current fiscal year without adjustment,
14 multiplying that number by the sum of the district's ADM of the
15 consolidated schools for the current fiscal year without adjustment, and
16 adding that number to the sum of the district's ADM of the consolidated
17 schools for the current fiscal year as adjusted under (A) - (C) of this
18 paragraph;

19 (ii) for the third fiscal year after the base fiscal year, the
20 district's ADM of the consolidated schools as adjusted under (A) - (C)
21 of this paragraph is calculated by dividing the sum of the district's
22 ADM of the consolidated schools as adjusted under (A) - (C) of this
23 paragraph for the base fiscal year by the sum of the district's ADM of
24 the consolidated schools for the base fiscal year without adjustment,
25 and subtracting the quotient obtained by dividing the sum of the
26 district's ADM of the consolidated schools for the current fiscal year as
27 adjusted under (A) - (C) of this paragraph by the sum of the district's
28 ADM of the consolidated schools for the current fiscal year,
29 multiplying that number by the sum of the district's ADM of the
30 consolidated schools for the current fiscal year without adjustment,
31 multiplying that number by 66 percent, and adding that number to the

1 sum of the district's ADM of the consolidated schools for the current
2 fiscal year as adjusted under (A) - (C) of this paragraph;

3 (iii) for the fourth fiscal year after the base fiscal year,
4 the district's ADM of the consolidated schools as adjusted under (A) -
5 (C) of this paragraph is calculated by dividing the sum of the district's
6 ADM of the consolidated schools as adjusted under (A) - (C) of this
7 paragraph for the base fiscal year by the sum of the district's ADM of
8 the consolidated schools for the base fiscal year without adjustment,
9 and subtracting the quotient obtained by dividing the sum of the
10 district's ADM of the consolidated schools for the current fiscal year as
11 adjusted under (A) - (C) of this paragraph by the sum of the district's
12 ADM of the consolidated schools for the current fiscal year,
13 multiplying that number by the sum of the district's ADM of the
14 consolidated schools for the current fiscal year without adjustment,
15 multiplying that number by 33 percent, and adding that number to the
16 sum of the district's ADM of the consolidated schools for the current
17 fiscal year as adjusted under (A) - (C) of this paragraph;

18 (iv) to calculate the district's basic need for each fiscal
19 year, the number obtained through the calculation in (i), (ii), or (iii) of
20 this subparagraph is added to the number obtained under (C) of this
21 paragraph for the remainder of the district;

22 (I) if the basic need calculated under (H)(i) - (iii) of this
23 paragraph for one of the first four fiscal years after consolidation is less than
24 the basic need calculated under (A) - (C) of this paragraph for that fiscal year,
25 the basic need may not be adjusted under (H) of this paragraph for that fiscal
26 year;

27 (J) a district may not offset a decrease under (H) of this
28 paragraph if

29 (i) a new facility is constructed in the district for the
30 consolidation; or

31 (ii) the district offset a decrease under (E) of this

paragraph in the same fiscal year;

(K) a district that offsets a decrease under (H) of this paragraph may not reopen a school that was closed for consolidation in the district until

(i) seven or more years have passed since the school closure; and

(ii) the district provides evidence satisfactory to the department that the schools affected by the consolidation are over capacity;

(L) a district may not reopen and reconsolidate a school that was consolidated in the district more than once every seven years for purposes of the calculations made under (H) of this paragraph;

(M) a district offsetting a decrease under (H) of this paragraph shall provide the department with the list of schools participating in the consolidation and the corresponding ADM;

(2) the required local contribution of a city or borough school district is the equivalent of a 2.65 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. 7. 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] secondary school vocational and technical instruction, and parental involvement initiatives 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, secondary school vocational and technical instruction funding is available to assist districts in providing vocational and technical instruction to students who are enrolled in a secondary school; a secondary school vocational and technical instruction funding factor of 1.015 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;

(4) in addition to the special needs, intensive services, and secondary school vocational and technical instruction funding available under (1) - (3) of this subsection, parental involvement initiatives funding is available to assist districts in the district's implementation of the requirements of AS 14.03.016(a)(3), (a)(7), and (a)(8), AS 14.03.115, AS 14.30.361(e) and (f), and AS 14.33.120(a)(10), including the costs of additional administrative and educational support personnel and modification of locker rooms and restroom facilities; a parental involvement initiatives funding factor of 1.005 shall be applied as set out in AS 14.17.410(b)(1).

* Sec. 8. 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 secondary school vocational

1 and technical instruction funding factor set out in AS 14.17.420(a)(3), **and the**
2 **parental involvement initiatives funding factor set out in AS 14.17.420(a)(4)** and
3 multiplying that product by the base student allocation; and

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

7
8 Renumber the following bill sections accordingly.