

# FISCAL NOTE

## STATE OF ALASKA 2024 LEGISLATIVE SESSION

Bill Version **SB 97**  
Fiscal Note Number \_\_\_\_\_  
( ) Publish Date \_\_\_\_\_

Identifier (file name) SB097-EED-SSA-3-7-24  
Title **TEACHER RECRUITMENT; LUMP SUM PAYMENT**  
Dept. Affected **Education and Early Development**  
Appropriation **Education Support and Admin Services**  
Allocation **Student and School Achievement**  
Sponsor **SENATE RLS BY REQUEST OF THE GOVERNOR**  
Requester **Senate Education Committee**  
OMB Component Number **2796**

### Expenditures/Revenues (Thousands of Dollars)

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

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY2025	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Personal Services	98.5		98.5	98.5			
Travel							
Services	16.5		16.5	16.5			
Commodities							
Capital Outlay							
Grants, Benefits	61,384.6		61,384.6	61,384.6			
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>61,499.6</b>	<b>0.0</b>	<b>61,499.6</b>	<b>61,499.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE		(Thousands of Dollars)					
1002	Fed Rcpts (Fed)						
1003	GF/Match (UGF)						
1004	Gen Fund (UGF)	61,499.6		61,499.6	61,499.6		
1005	GF/Prgm (DGF)						
1007	I/A Rcpts (Other)						
1037	GF/MH (UGF)						
		<b>61,499.6</b>	<b>0.0</b>	<b>61,499.6</b>	<b>61,499.6</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS							
Full-time							
Part-time							
Temporary	1		1	1			

CHANGE IN REVENUES	FY2025	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
1004 Gen Fund (UGF)							
1002 Fed Rcpts (Fed)							
<b>TOTAL CHANGE IN REVENUES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimated SUPPLEMENTAL (FY2024) operating costs 126.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2025) costs 0.0 (separate capital appropriation required)

Does the bill create or modify a 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If yes, by what date are the regulations to be adopted, amended, or repealed? 6/30/2025 Discuss details in analysis section.

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

Revised fiscal note removes FY25 costs related to legal fees, as these costs are accounted for in the FY24 supplemental amount.

Prepared by Kathy Moffit  
Division Innovation and Education Excellence  
Approved by Tama Carson, Administrative Services Director  
Agency Department of Education and Early Development

Phone 907-269-3700  
Date/Time 3/1/24 9:36 AM  
Date 3/7/2024

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2024 LEGISLATIVE SESSION

BILL NO. SB 97

### Analysis

This bill amends uncodified law to establish a program within the Department of Education and Early Development (DEED) to pay certificated full-time teachers a lump sum payment as a retention and recruitment incentive on, or around, July 1, 2024, July 1, 2025, and July 1, 2026. These lump sum payments will be considered compensation for the purposes of the Teachers' Retirement System (TRS).

DEED would grant school districts funding to pay the retention and recruitment incentive as a lump sum payment to eligible full-time teachers.

DEED would need one non-perm position starting in FY2024 to develop regulations, develop an application, and review applications to implement the program. This non-perm position would be an Education Associate 3 at a Range 17, Step B/C, at \$98.5 annual personal services costs. Ongoing department chargeback costs associated with the positions would be \$16.5 annually. In FY2024, a one-time cost of \$5.0 for the position would be needed to purchase necessary equipment and supplies; as well as, a one-time cost of \$6.0 for legal services costs associated with regulation development.

The total grant payments are estimated to be \$54,535.0 annually in FY2025, FY2026, and FY2027.

The lump sum payments are considered compensation for the purposes of TRS, resulting in the employer contribution estimated to be \$6,849.6 (\$54,535.0 multiplied by 12.56%). This is included to provide support to school districts in making these payments directly to TRS. The funding DEED grants to school districts would include the employer contribution to the TRS.

This bill takes effect July 1, 2023 (FY2024).