

# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version: HB 212  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB212-EED-MEHS-5-02-25  
Title: LOCAL CONTRIBUTIONS BY SCHOOL  
DISTRICTS  
Sponsor: STORY  
Requester: (H) EDUCATION

Department: Department of Education and Early Development  
Appropriation: Mt. Edgecumbe High School  
Allocation: Mt. Edgecumbe High School  
OMB Component Number: 1060

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits			1,571.9	1,571.9	1,571.9	1,571.9	1,571.9
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>1,571.9</b>	<b>1,571.9</b>	<b>1,571.9</b>	<b>1,571.9</b>	<b>1,571.9</b>

## Fund Source (Operating Only)

1007 I/A Rcpts (Other)			1,571.9	1,571.9	1,571.9	1,571.9	1,571.9
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>1,571.9</b>	<b>1,571.9</b>	<b>1,571.9</b>	<b>1,571.9</b>	<b>1,571.9</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</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 (FY2025) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2026) cost:** 0.0 (separate capital appropriation required)

**Does the bill create or modify a new 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? No  
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

## Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Agency: Department of Education and Early Development

Phone: (907)269-6880  
Date: 05/02/2025  
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## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION

BILL NO. HB212

### Analysis

This bill amends the definition of "local contribution" in AS 14.17.990(6) used by the Public Education Fund (PEF) to exclude appropriations or in-kind services for student transportation, nutrition services, food services, preschools, pre-kindergarten or other early education programs, career and technical education, before-school and after-school programs, and student activities.

The proposed statutory language conflicts with the federal definition of "current expenditures" used in the federal Impact Aid Program (IAP). As a result, these excluded services would be included in the calculation for the IAP disparity test.

Failure to pass the IAP disparity test would result in increased state expenditures equivalent to the amount that would otherwise have been offset by applying Impact Aid to a district's Basic Need calculation.

The proposed effective date of the bill will affect the FY2027 Foundation Projections.

As a division of the Department of Education and Early Development, Mt. Edgecumbe High School's (MEHS) State aid is budgeted as interagency receipts. This fiscal note increases their budgeted interagency receipt authority to match the estimated allocation from the Public Education Fund. If the state were unable to pass disparity and were required to distribute the Deductible Impact Aid to districts, the increase in Foundation funding to MEHS would be \$1,571.9 based on FY2026 projections.