

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: HB 278  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB278CS(FIN)am-EED-PEF-04-08-14  
Title: EDUCATION: FUNDING/TAX  
CREDITS/PROGRAMS  
Sponsor: RLS BY REQUEST OF THE GOVERNOR  
Requester: Senate Finance Committee

Department: Fund Transfers  
Appropriation: Designated Reserves/Endowments  
Allocation: Public Education Fund (AS. 14.17.300)  
OMB Component Number: 2929

## Expenditures/Revenues

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

(Thousands of Dollars)

|                        | FY2015<br>Appropriation<br>Requested | Included in<br>Governor's<br>FY2015<br>Request | Out-Year Cost Estimates |                 |                 |                 |                 |
|------------------------|--------------------------------------|--|-------------------------|-----------------|-----------------|-----------------|-----------------|
| OPERATING EXPENDITURES | FY 2015                              | FY 2015  | FY 2016                 | FY 2017         | FY 2018         | FY 2019         | FY 2020         |
| Personal Services      |                                      |  |                         |                 |                 |                 |                 |
| Travel                 |                                      |  |                         |                 |                 |                 |                 |
| Services               |                                      |  |                         |                 |                 |                 |                 |
| Commodities            |                                      |  |                         |                 |                 |                 |                 |
| Capital Outlay         |                                      |  |                         |                 |                 |                 |                 |
| Grants & Benefits      | 106,030.2                            |  | 74,563.8                | 74,563.8        | 74,563.8        | 74,563.8        | 74,563.8        |
| Miscellaneous          |                                      |  |                         |                 |                 |                 |                 |
| <b>Total Operating</b> | <b>106,030.2</b>                     | <b>0.0</b>                                     | <b>74,563.8</b>         | <b>74,563.8</b> | <b>74,563.8</b> | <b>74,563.8</b> | <b>74,563.8</b> |

## Fund Source (Operating Only)

|               |                  |            |                 |                 |                 |                 |                 |
|---------------|------------------|------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1004 Gen Fund | 106,030.2        |            | 74,563.8        | 74,563.8        | 74,563.8        | 74,563.8        | 74,563.8        |
| <b>Total</b>  | <b>106,030.2</b> | <b>0.0</b> | <b>74,563.8</b> | <b>74,563.8</b> | <b>74,563.8</b> | <b>74,563.8</b> | <b>74,563.8</b> |

## Positions

|           |  |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|--|
| Full-time |  |  |  |  |  |  |  |
| Part-time |  |  |  |  |  |  |  |
| Temporary |  |  |  |  |  |  |  |

|                           |  |  |  |  |  |  |  |
|---------------------------|--|--|--|--|--|--|--|
| <b>Change in Revenues</b> |  |  |  |  |  |  |  |
|---------------------------|--|--|--|--|--|--|--|

**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2015) cost:** 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?

## Why this fiscal note differs from previous version:

This current CS removes TRS and associated language changing local effort to 40% in addition to eliminating the proposed changes to the school size chart. Maintains proposed CS language for \$185 BSA increase and provides for a \$30 million onetime grant to be distributed based on AADM.

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Division: Director of School Finance Date: 04/08/2014 01:51 PM  
Approved By: Mike Hanley Date: 04/08/14  
Agency: Commissioner

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. CSHB 278 (FIN) am

### Analysis

This fiscal note capitalizes the Public Education Fund (PEF) as set out in CSHB(FIN) 278. There is a separate fiscal note for the Foundation Program that provides a supporting schedule for the increases.

The BSA annual increases and forward funding are as follows:

The FY2015 Appropriation Request includes FY2015 costs (\$45,832.2), plus forward funding BSA increases for FY2016 ( $\$45,832.2 + 14,365.8 = \$106,030.2$ ).

The FY2016 Appropriation Request includes FY2016 costs ( $\$45,832.2 + 14,365.8$ ) plus forward funding for BSA increase for FY2017 ( $\$14,365.8 = \$74,563.8$ ), out year costs remain at \$74,563.8.

The effective dates for the BSA increases are July 1, 2014, July 1, 2015, and July 1, 2016, respectively.