

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: HB 133
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB133-EED-FundTransfer-3-13-13
Title: SCHOOL CONST. GRANTS/SMALL
MUNICIPALITIES
Sponsor: EDGMON
Requester: House Education Committee

Department: Fund Transfers
Appropriation: Designated Savings (UGF)
Allocation: Regional Education Attendance Area School Fund
OMB Component Number: 3025

Expenditures/Revenues

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

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 618.3

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If yes, by what date are the regulations to be adopted, amended or repealed?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:

The initial version reflected operating costs in the upper section and this version reflects the data as informational only since the statutory formula will drive the capital appropriation in the out years under AS 14.11.025.

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Approved By: <u>Mike Hanley</u>	Date: <u>03/13/13</u>
<u>Commissioner</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HB133

Analysis

The legislation would amend AS 14.11.025 by allowing small municipal school districts to participate in the state aid for school construction in rural education attendance areas (REAA). A small municipal school district would be defined as a district with 300 or fewer ADM and not more than \$500,000 in full value per ADM.

The municipal K-12 school districts that would qualify under these criteria are Hydaburg, Kake, Klawock, Saint Mary's, and Tanana.

The statutory formula is as follows: (Annual Debt Service divided by the percentage of all schools located in a city or borough school district) multiplied by .244.

Recalculating the formula with these five schools moved from the city or borough school districts to the REAA and small municipal school districts is $\$100,907,833 / 68.74\% \times 24.4\% = \$35,818,300$ an increase of \$618,300. \$35,200,000 is already included in the FY14 Governor's capital budget.

This legislation amends AS 14.11.030(a) by changing the title of the fund to the REAA and small municipal school district school fund versus just the REAA school fund.

Also, this legislation adds a new subsection, AS 14.11.030(d), which gives "small municipal school districts" the same definition as set out in AS 14.11.025.