

# Fiscal Note

State of Alaska  
2019 Legislative Session

Bill Version: SB 6  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: SB006-EED-PK-3-15-19  
Title: PRE-ELEMENTARY PROGRAMS/FUNDING  
Sponsor: BEGICH  
Requester: Senate Education Committee

Department: Department of Education and Early Development  
Appropriation: Education Support and Administrative Services  
Allocation: Pre-Kindergarten Grants  
OMB Component Number: 3028

## Expenditures/Revenues

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

(Thousands of Dollars)

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	3,403.1		6,806.1	10,209.2	10,209.2	10,209.2	6,806.1
Miscellaneous							
<b>Total Operating</b>	<b>3,403.1</b>	<b>0.0</b>	<b>6,806.1</b>	<b>10,209.2</b>	<b>10,209.2</b>	<b>10,209.2</b>	<b>6,806.1</b>

## Fund Source (Operating Only)

1004 Gen Fund (UGF)	3,403.1		6,806.1	10,209.2	10,209.2	10,209.2	6,806.1
<b>Total</b>	<b>3,403.1</b>	<b>0.0</b>	<b>6,806.1</b>	<b>10,209.2</b>	<b>10,209.2</b>	<b>10,209.2</b>	<b>6,806.1</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 (FY2019) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2020) 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? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 03/31/20

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

Initial version based on Governor's 2.13.19 FY20 Budget Request.

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Approved By: Heidi Teshner, Administrative Services Director  
Agency: Office of Management and Budget

Phone: (907)465-8721  
Date: 03/15/2019 11:00 AM  
Date: 03/15/19

Analysis

SB6 creates an early education program, under AS 14.03.135, that is approved by the Department of Education & Early Development and funded by the state through a three-year grant process. Once those districts have completed the three-year grant cycle and the department has determined the early education program complies with adopted standards as created by the State Board of Education & Early Development, then those programs may be eligible for 1/2 the full-time equivalent for average daily membership (ADM) funding under AS 14.17.410. Foundation funding would only be provided to those districts that are not already being funded by another state or federal program.

**Page 3 of this fiscal note provides the funding breakdown by fiscal year for the three-year grant program.**

**Costs associated with the operation of the development grants are reflected in the Early Learning Coordination fiscal note.**

No effective date has been provided.

# Department of Education & Early Development

Prepared 3/15/2019

Current Number of Districts operating a Pre-Kindergarten program	26
(26 districts registered in 2019-20)	
4 year old cohort*	10,000
Current District reported Pre-K Served*	3,590
Head Start*	1,580
SB 6 Served	3,675
	8,845
Percent of 4 year old students served*	88.45%
* estimated	
<b>Foundation Component / Public Education Fund</b>	
1/2 the average per student cost =	\$ 4,630.00

<b>Foundation Component / Public Education Fund</b>		<b>Districts Served</b>
1/2 the average per student cost = \$4,630	<b>Number of Students</b>	
Year 1 FY2020 grant program- students served	735	7
Year 2 FY2021 grant program- students served	1,470	14
Year 3 FY2022 grant program- students served	2,205	21
Year 4 FY2023 grant program- students served	2,940	28
Year 5 FY2024 grant program- students served	3,675	35
<b>Total</b>	<b>3,675</b>	<b>35</b>

## 3-year Early Education Grant cycle

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024		
		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
							FY 2027
	\$3,403,050	\$6,806,100	\$10,209,150	\$10,209,150	\$10,209,150	\$6,806,100	\$3,403,050
			Moved to ADM/State Aid	\$3,403,050	\$6,806,100	\$10,209,150	\$13,612,200
							\$17,015,250
						<b>Total ADM/State Aid</b>	<b>\$17,015,250</b>
						<b>Total Grant</b>	<b>\$51,045,750</b>