

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: HB 273
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB273-EED-PEF-1-20-22
Title: INCREASE BASE STUDENT ALLOC. INFLATION
Sponsor: STORY
Requester: House Education

Department: Fund Capitalization
Appropriation: No Further Appropriation Required
Allocation: Public Education Fund
OMB Component Number: 2804

Expenditures/Revenues

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

	FY2023	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2023 Request	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits					4,612.4	4,612.4	4,612.4	4,612.4
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	4,612.4	4,612.4	4,612.4	4,612.4

Fund Source (Operating Only)

1004 Gen Fund (UGF)				4,612.4	4,612.4	4,612.4	4,612.4
Total	0.0	0.0	0.0	4,612.4	4,612.4	4,612.4	4,612.4

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2022) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2023) 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If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

Prepared By:	<u>Heidi Teshner, Acting Deputy Commissioner</u>	Phone:	<u>(907)465-2875</u>
Division:	<u>Finance and Support Services</u>	Date:	<u>01/20/2022</u>
Approved By:	<u>Lacey Sanders, Administrative Services Director</u>	Date:	<u>01/28/22</u>
Agency:	<u>Department of Education & Early Development</u>		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. HB 273

Analysis

This bill amends AS 14.17.470 by having the department, on July 1 each year, increase the base student allocation (BSA) using the preceding three-year period of the Consumer Price Index for urban Alaska (CPI-U) as prepared by the United States Department of Labor.

This fiscal note uses the Alaska annual CPI amount for 2020 (226.153) divided by the 2018 amount (225.545). $(226.153 / 225.545 = 1.003)$ The percentage difference between 2020 and 2018 is applied to the current FY2023 BSA of \$5,930 to arrive at a CPI adjusted BSA of \$5,948. $(\$5,930 \times 1.003 = \$5,948)$

Using the FY2023 projected average daily membership counts, and the CPI adjusted BSA of \$5,948, the new estimated total state entitlement would increase by approximately \$4,612,362.

The effective date of this bill is July 1, 2024 (FY2025).

Page 3 of this fiscal note provides the projected funding breakdown by school district for the CPI-U Alaska BSA increase.

Department of Education & Early Development

Prepared by School Finance

Prepared 1/20/2022

CPI-U increase to BSA

Base Student Allocation \$5,930 \$ 5,948

School District	CPI-U 1.003 increase		Difference
	FY2023 Proj. TOTAL STATE ENTITLEMENT	to Proj. TOTAL STATE ENTITLEMENT	
Alaska Gateway	\$ 8,751,667	\$ 8,779,123	\$ 27,456
Aleutian Region	1,332,912	1,336,981	4,069
Aleutians East Borough	3,981,065	3,996,705	15,640
Anchorage	314,398,790	315,709,089	1,310,299
Annette Island	3,628,343	3,646,775	18,432
Bering Strait	30,800,589	30,928,577	127,988
Bristol Bay Borough	896,798	902,063	5,265
Chatham	3,337,723	3,348,433	10,710
Chugach	4,692,479	4,706,899	14,420
Copper River	6,823,276	6,844,899	21,623
Cordova	4,144,356	4,159,873	15,517
Craig	5,694,789	5,713,954	19,165
Delta/Greely	10,595,870	10,628,664	32,794
Denali Borough	7,133,060	7,157,870	24,810
Dillingham	5,851,981	5,872,411	20,430
Fairbanks N. Star Borough	99,522,369	99,950,339	427,970
Galena	32,763,110	32,862,719	99,609
Haines Borough	2,530,508	2,541,577	11,069
Hoonah	2,484,391	2,492,565	8,174
Hydaburg	1,778,028	1,783,531	5,503
Iditarod Area	5,763,697	5,782,648	18,951
Juneau Borough	32,953,875	33,102,788	148,913
Kake	2,233,134	2,240,784	7,650
Kashunamiut	4,474,950	4,494,421	19,471
Kenai Peninsula Borough	73,868,158	74,179,281	311,123
Ketchikan Gateway Borough	25,755,407	25,849,475	94,068
Klawock	1,759,889	1,767,179	7,290
Kodiak Island Borough	25,727,035	25,823,088	96,053
Kuspuk	6,976,761	7,004,840	28,079
Lake & Peninsula Borough	9,040,554	9,069,699	29,145
Lower Kuskokwim	61,510,954	61,745,424	234,470
Lower Yukon	32,902,651	33,032,371	129,720
Mat-Su Borough	169,508,196	170,130,857	622,661
Nenana	10,436,818	10,468,663	31,845
Nome	8,673,328	8,703,399	30,071
North Slope Borough	19,073,095	19,186,233	113,138
Northwest Arctic Borough	37,478,114	37,598,889	120,775
Pelican	459,461	460,978	1,517
Petersburg	5,596,923	5,618,159	21,236
Pribilof	973,694	978,149	4,455
Saint Mary's	3,863,824	3,875,769	11,945
Sitka Borough	10,978,127	11,024,891	46,764
Skagway	1,235,329	1,242,056	6,727
Southeast Island	4,689,669	4,703,866	14,197
Southwest Region	10,642,077	10,685,011	42,934
Tanana	752,892	755,288	2,396
Unalaska	3,862,310	3,880,906	18,596
Valdez	4,856,667	4,883,667	27,000
Wrangell	3,067,737	3,079,268	11,531
Yakutat	1,193,079	1,197,364	4,285
Yukon Flats	4,881,576	4,900,253	18,677
Yukon/Koyukuk	22,785,903	22,857,871	71,968
Yupit	6,786,477	6,817,167	30,690
Mt. Edgecumbe High School	3,419,941	3,433,019	13,078
TOTAL	\$ 1,169,324,406	\$ 1,173,936,768	\$ 4,612,362