

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: SB 146
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB146-UA-SYSBRA-2-18-22
Title: UNIVERSITY: TEXTBOOKS/MATERIALS COST
Sponsor: MYERS
Requester: Senate Education

Department: University of Alaska
Appropriation: University of Alaska
Allocation: Budget Reductions/Additions - Systemwide
OMB Component Number: 1296

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services	822.9		822.9	822.9	822.9	822.9	822.9
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	822.9	0.0	822.9	822.9	822.9	822.9	822.9

Fund Source (Operating Only)

1004 Gen Fund (UGF)	822.9		822.9	822.9	822.9	822.9	822.9
Total	822.9	0.0	822.9	822.9	822.9	822.9	822.9

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: 397.5 (separate capital appropriation required)

Does the bill create or modify a new fund or account? N
(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? Y
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/22

Why this fiscal note differs from previous version/comments:

Initial version

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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. SB146

Analysis

Senate Bill 146 is titled "An Act relating to costs of and charges for textbooks and other course materials required for University of Alaska courses; and providing for an effective date." The bill looks to solidify efforts for textbook transparency that are already in progress at the various universities across the UA system and may require a modification to UA Board of Regents policy and/or regulations (P10.08.020 Selection of Textbooks and Educational Materials).

This legislation would add a new section, AS 14.40.121 Course materials, where the University of Alaska online course schedule must provide: a description of each course that clearly identifies costs, including zero or low cost resources, associated with required course materials; and for searches identifying courses in which all required course materials are zero-cost. Low-cost resources are defined at a pre-tax sales price that is not more than four times the hourly minimum wage established in AS 23.10.065(a), in 2022 low-cost would be no more than \$41.36.

The estimated cost to design, develop, test and implement the capabilities described in the legislation include building new integrations with multiple 3rd party software vendors, refactoring the course catalog to a presentation to support differentiation between materials for the same classes.

Cost estimates from the UA Office of Information Technology (which manages information technology for the UA system) are \$300,000 for consultant work (1,500 hours @ \$200/hour). Staff costs will be approximately \$97,500 (1,500 hours @ \$65/hour). Ongoing annual maintenance (staff) (40 hours @\$65/hour) will be \$2,600.

In addition: Each University (UAA, UAF, UAS) and all their faculty will be required to adhere to the provisions in SB146. In the non-pandemic year of 2019, there were 13,671 course sections taught across the UA. Assuming a single hour of faculty time per section at an average faculty cost (with benefits) of \$60/hour, a good faith estimation of cost to UA is an additional \$820,260.

Thus, the total cost of the bill is: $\$300,000 + \$97,500 + \$2,600 + \$820,260 = \$1,220,360$.