

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: HB 147
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB147-EED-ACPE-1-7-22
Title: RURAL DEF. TEACHER EDUCATION LOAN
PROGRAM
Sponsor: ZULKOSKY
Requester: House Education

Department: Department of Education and Early Development
Appropriation: Alaska Commission on Postsecondary Education
Allocation: Program Administration & Operations
OMB Component Number: 2738

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	2.0						
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	1,017.5						
Miscellaneous							
Total Operating	1,019.5	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	1,019.5						
Total	1,019.5	0.0	0.0	0.0	0.0	0.0	0.0

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If yes, by what date are the regulations to be adopted, amended or repealed?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:	Sana Efird, Executive Director	Phone:	(907)465-6740
Division:	Alaska Commission on Postsecondary Education	Date:	01/07/2022
Approved By:	Lacey Sanders, Administrative Services Director	Date:	01/08/22
Agency:	Department of Education & Early Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. HB 147

Analysis

This bill would change the definition of rural for the Alaska Teacher Education Loan Program (TEL) administered by the Alaska Commission on Postsecondary Education (ACPE). Under this bill, Kodiak and Bethel would become communities eligible for TEL forgiveness.

Using current address information of TEL borrowers in ACPE's loan servicing system, ACPE determined 20 borrowers living in Bethel or Kodiak could become eligible for forgiveness if they fulfill the service obligation and meet other eligibility requirements.

The number of eligible teachers could be higher if teachers in Bethel and Kodiak have a permanent address on file with ACPE in urban areas. ACPE is unable to determine if that is the case and how many additional eligible teachers there may be in that scenario.

Assumptions for fiscal analysis:

- \$50,874 per TEL borrower (based on average forgiveness benefit)
- Estimate no more than 20 TEL borrowers becoming eligible if the bill passes

Total \$1,017,480 (\$50,874 x 20 borrowers)

ACPE staff time to implement changes including communication with TEL borrowers, procedural updates, application processing, etc.

- Estimate 40 hours of staff time (2 hours processing time per TEL application x 20 borrowers)
- Assume a Range 14 staff is performing the work at \$50 per hour

Total \$2,000

Additional personal services funding will support an existing position budgeted with Alaska Student Loan Corporation (ASLC) Receipts. Since this is not an allowable expenditure of ASLC Receipts, unrestricted general funds are needed to pay for the time spent working on the TEL Program.