



Analysis of HB 413 and SB 236 by David Means, Legislative Data Analyst, ALASBO

Situation: On October 1, 2021, Hooper Bay School had 424 K-12 students, and the Hooper Bay Charter School had 47 students in grades 4-8. Hooper Bay is single funding community. With two schools in the funding community Hooper Bay School could not apply the special provisions of AS 14.17.905 when adjusting its average daily membership by the school size factor. The special provisions of AS 14.17.905 separate the K-6 ADM from the 7-12 ADM when applying the school size factor, and then combines the two calculations. The school size factor yields more funding per student for smaller schools. Under current law, Hooper Bay School is not able to separate its ADM into K-6, and 7-12, but must adjust its enrollment on the combined K-12 ADM. That is, if AS 14.17.905 were applicable, Hooper Bay would adjust its K-6 ADM by the school size factor for its K-6 ADM, and then adjust its 7-12 ADM by the school size factor, and then combine them together. However, since AS 14.17.905 is no longer applicable to Hooper Bay School, Hooper Bay School adjusts its entire K-12 ADM by a single school size factor. According to Lower Yukon School District this reduced state support by over \$1 million in both FY 2021 and FY 2022.

Effects of HB 213: HB 213 changes the count of schools in a funding community so that provisions of AS 14.17.905 would apply when the funding community had a charter school as well as its regular K-12 school. In determining the eligibility in applying AS.14.17.905, only regular K-12 schools are counted, and charter schools are not counted.

Applicability: Hooper Bay will be the only funding community affected by HB 413 at this time although there always remains a possibility it could apply to other funding communities in the future.

Implications for funding charter schools: This does not change the funding for charter schools. In particular, HB 413 does not change the school size factor for Hooper Bay Charter School, and hence, does not change the funding to that charter school.

Implications for funding Hooper Bay School: The fiscal note estimates that this will cost the Public Education Fund \$1,082,700 per year. That is additional funding to Hooper Bay School. DEED does not foresee this applying to any other funding communities.