Alaska State Legislature

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HOUSE EDUCATION COMMITTEE

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House Bill 413 Facilities Constituting a School

Sponsor Statement

House Bill 413 seeks to remedy a technical problem in the education funding formula which is occurring in Hooper Bay and affects the entire Lower Yukon School District. The problem occurs when a district with a single school with more than 425 students opens a charter school, which Hooper Bay recently did.

Under current law, the existence of the charter school implies that there is no longer "only one facility administered as a school." Consequently, the district must calculate the adjusted ADM in the public school with a lower school size factor. As a result, opening a charter school in such a district comes with a financial penalty of about \$1 million per year.

HB 413 adds three words to existing law: "excluding charter schools." These three words allow the district to restore its full funding and remove the disincentive a school board faces when considering a charter school application.

While one might see the fiscal note as a \$1 million per year funding increase, this is really not the case, because this bill would simply restore the previous level of funding to the district.

The House Education Committee supports charter schools, and Hooper Bay, and the Lower Yukon School District and requests your support in removing this barrier to ensure they are available to students across the state.