

Fiscal Note

State of Alaska
2023 Legislative Session

Bill Version: HB 65
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB065CS(EDC)-EED-PEF-3-23-23
Title: INCREASE BASE STUDENT ALLOCATION
Sponsor: ORTIZ
Requester: House Finance Committee

Department: Department of Education and Early Development
Appropriation: K-12 Aid to School Districts
Allocation: Foundation Program
OMB Component Number: 141

Expenditures/Revenues

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

	FY2024	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2024 Request	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OPERATING EXPENDITURES	FY 2024	FY 2024					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	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 (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) 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If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

The fiscal note analysis differs from the previous version in that the committee substitute changes the base student allocation (BSA) in FY2024 by \$680, increasing the BSA from \$5,960 to \$6,640. In addition, in FY2025 the BSA would increase by an additional \$120, bringing the BSA to \$6,760.

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Division:	Division of Finance and Support Services	Date:	03/22/2023
Approved By:	Sabrina Javier, Administrative Services Director	Date:	03/24/23
Agency:	Department of Education and Early Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION

BILL NO. CSHB 65

Analysis

HB65 will increase the base student allocation (BSA), under AS 14.17.470, by \$800 over two years for the public school funding formula. The BSA will increase by \$680 from \$5,960 to \$6,640 in FY2024 resulting in a \$174.9 million increase in funding to school districts. The BSA will increase by an additional \$120 in FY2025 from \$6,640 to \$6,760, resulting in an additional \$30.8 million increase in funding to school districts, for a total increase of \$205.7 million.

This bill takes effect July 1, 2023 (FY2024).

The funding mechanism is a general fund transfer to the Public Education Fund (PEF). The fiscal note effect for FY2024 through FY2029 is reported in the fiscal note for the PEF, as the funding is deposited to the PEF, not into the Foundation Program funding component. The above analysis is presented here for explanation purposes only.