

# Fiscal Note

State of Alaska  
2023 Legislative Session

Bill Version: HB 193  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB193-EED-BAG-5-8-23  
Title: INTERNET FOR SCHOOLS  
Sponsor: FINANCE  
Requester: House Finance

Department: Department of Education and Early Development  
Appropriation: Alaska State Libraries, Archives and Museums  
Allocation: Broadband Assistance Grants  
OMB Component Number: 3004

**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
<b>OPERATING EXPENDITURES</b>	<b>FY 2024</b>	<b>FY 2024</b>					
Personal Services							
Travel							
Services	588.5		582.5	582.5	582.5	582.5	582.5
Commodities							
Capital Outlay							
Grants & Benefits	38,836.5		38,836.5	38,836.5	38,836.5	38,836.5	38,836.5
Miscellaneous							
<b>Total Operating</b>	<b>39,425.0</b>	<b>0.0</b>	<b>39,419.0</b>	<b>39,419.0</b>	<b>39,419.0</b>	<b>39,419.0</b>	<b>39,419.0</b>

**Fund Source (Operating Only)**

1004 Gen Fund (UGF)	39,425.0		39,419.0	39,419.0	39,419.0	39,419.0	39,419.0
<b>Total</b>	<b>39,425.0</b>	<b>0.0</b>	<b>39,419.0</b>	<b>39,419.0</b>	<b>39,419.0</b>	<b>39,419.0</b>	<b>39,419.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**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? **Yes**  
If yes, by what date are the regulations to be adopted, amended or repealed? **01/01/24**

**Why this fiscal note differs from previous version/comments:**

Initial version only included the 151 currently eligible schools under the existing School Broadband Assistance Grant (BAG) program increasing from 25 Mbps to 100 Mbps and did not include costs for 108 school sites that would be newly eligible under this bill. This revised fiscal note includes those additional 108 school sites.

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Division:	Alaska State Libraries, Archives & Museums	Date:	05/08/2023
Approved By:	Sabrina Javier, Administrative Services Director	Date:	05/08/23
Agency:	Department of Education and Early Development		

**Analysis**

This bill would amend AS 14.03.127 *Funding for internet services* to provide Alaska school districts with funding to assist eligible schools in their district reach up to 100 megabytes per second (Mbps) download speed for internet services.

In FY2023, the Alaska School Broadband Assistance Grants (BAG) Program offered \$6,611.9 in grant funding to 151 eligible Alaska school districts to reach up to 25 Mbps download speeds. In FY2024, the Department of Education & Early Development (DEED) estimates \$19,835.7 in grant funding would be needed for these schools to reach up to 100 Mbps download speeds. The total cost is estimated to be \$26,447.6.

In addition, there are 108 schools that have been identified as newly eligible under this bill. These schools equal 72% of the 151 currently eligible schools. DEED estimates \$19,000.8 in grant funding would be needed for these schools to reach up to 100 Mbps download speeds, based on the 151 currently eligible schools.

The total grant funding needed to award BAG grants to school districts is estimated to be \$38,836.5.

A 1.5% indirect rate adjustment of \$582.5 for FY2024 and out years is also reflected in the fiscal note. Additionally, one-time funding of \$6.0 would be needed for updating associated regulations.

This bill takes effect immediately under AS 01.10.070(c).