

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: HB 392
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB392-EED-BAG-3-19-24
Title: EDUCATION FUNDING
Sponsor: RESOURCES
Requester: House Education

Department: Department of Education and Early Development
Appropriation: Education Support and Admin Services
Allocation: Broadband Assistance Grants
OMB Component Number: 3004

Expenditures/Revenues

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

| | FY2025 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|-----------------|-----------------|-----------------|-----------------|
| | Appropriation Requested | Governor's FY2025 Request | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
| OPERATING EXPENDITURES | FY 2025 | FY 2025 | | | | | |
| 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 | | | | | | | |
| Total Operating | 39,425.0 | 0.0 | 39,419.0 | 39,419.0 | 39,419.0 | 39,419.0 | 39,419.0 |

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 |
| Total | 39,425.0 | 0.0 | 39,419.0 | 39,419.0 | 39,419.0 | 39,419.0 | 39,419.0 |

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 (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) 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? **06/30/25**

Why this fiscal note differs from previous version/comments:

| |
|---------------------------------|
| Not applicable; initial version |
|---------------------------------|

| | | | |
|--------------|---|--------|---------------|
| Prepared By: | Karen Morrison, Division Director | Phone: | (907)465-2276 |
| Division: | Finance and Support Services | Date: | 03/19/2024 |
| Approved By: | Tama Carson, Administrative Services Director | Date: | 03/21/24 |
| Agency: | Department of Education and Early Development | | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. HB 392

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 schools to reach up to 25 Mbps download speeds. In FY2024, the Alaska School Broadband Assistance Grants (BAG) Program offered \$6,797.9 in grant funding to 136 eligible Alaska schools to reach up to 25 Mbps download speeds.

In FY2025, the Department of Education & Early Development (DEED) estimates \$38,836.5 in grant funding would be needed for all eligible BAG schools to reach up to 100 Mbps download speeds.

Additionally, one-time funding of \$6.0 would be needed for updating associated regulations.

A 1.5% indirect rate adjustment of \$582.5 for FY2025 and out years is also reflected in the fiscal note.

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