

CS FOR HOUSE BILL NO. 97(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 2/22/07

Referred: Finance

Funding Information:	General Fund	\$ 715,670,643
	Other Funds	32,886,100
	Total	\$ 748,556,743

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL**FOR AN ACT ENTITLED**

1 "An Act making appropriations for state aid to public schools, centralized
 2 correspondence study, and transportation of pupils; and providing for an effective
 3 date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** (a) The sum of \$395,701,500 is appropriated from the general fund to the
 6 public education fund (AS 14.17.300) for the following purposes in the amounts stated:

7 PURPOSE	8 AMOUNT
9 Distribution to school districts, to the state boarding school, and for centralized correspondence study under AS 14.17	\$342,133,000
10 Transportation of pupils under AS 14.09.010	53,568,500

11 (b) The sum of \$32,886,100 is appropriated to the Department of Education and Early
 12 Development for distribution to school districts, to the state boarding school, and for
 13 centralized correspondence study under AS 14.17 for the fiscal year ending June 30, 2008,
 14 from the following sources:

1	FUND SOURCE	AMOUNT
2	Federal impact aid for K-12 schools	\$20,791,000
3	Public school trust fund (AS 37.14.110)	12,095,100

4 (c) The remaining balance of the public education fund (AS 14.17.300) on June 30,
5 2007, estimated to be \$509,130,000 is for distribution to school districts, to the state boarding
6 school, and for centralized correspondence study under AS 14.17.

7 * **Sec. 2.** The sum of \$24,000,000 is appropriated from the general fund to the Department
8 of Education and Early Development for distribution to each school district in the same
9 amount as was received by that school district during fiscal year 2007 for implementation of a
10 cost factor adjustment.

11 * **Sec. 3.** The sum of \$11,000,000 is appropriated from the general fund to the Department
12 of Education and Early Development for distribution to each school district in the same
13 amount as was received by that school district during fiscal year 2007 for a school
14 improvement grant.

15 * **Sec. 4. RETIREMENT SYSTEM FUNDING FOR SCHOOL DISTRICTS.** (a) It is the
16 intent of the legislature that a portion of the increase in state revenue due to high oil prices be
17 used to assist school districts by paying the fiscal year 2008 estimated increase in school
18 district employer costs resulting from increased employer contribution rates, to reduce the
19 liability to the defined benefit plan of the public employees' retirement system and the defined
20 benefit plan of the teachers' retirement system of school districts that are members of those
21 systems. The appropriations made by (b) and (c) of this section reflect estimates by the
22 Department of Administration, as of September 11, 2006, of the increased employer cost for
23 the school districts resulting from employer contribution rate increases for fiscal year 2008.
24 The appropriations made by (b) and (c) of this section are intended to reduce those increased
25 employer costs, based on current estimates, but might not fully eliminate the increased
26 employer costs because of changes in school district payroll amounts and other factors. The
27 appropriations made by (b) and (c) of this section are one-time appropriations and are not
28 intended to recur for fiscal year 2009.

29 (b) The following amounts, totaling \$36,981,562, are appropriated from the general
30 fund to the Department of Administration for deposit in the defined benefit plan account in
31 the public employees' retirement system for each of the following school districts:

	DISTRICT	APPROPRIATION
1	Alaska Gateway	\$ 62,997
2	Aleutian Region	2,220
3	Aleutians East Borough	45,357
4	Anchorage	14,029,111
5	Annette Island	8,833
6	Bering Strait	460,844
7	Bristol Bay Borough	102,327
8	Chatham	181,375
9	Chugach	66,159
10	Copper River	201,638
11	Cordova	242,057
12	Craig	104,477
13	Delta/Greely	194,817
14	Denali Borough	213,564
15	Dillingham	129,701
16	Fairbanks North Star Borough	4,554,638
17	Galena	188,555
18	Haines Borough	80,177
19	Hoonah	41,447
20	Hydaburg	14,675
21	Iditarod Area	126,318
22	Juneau Borough	1,621,027
23	Kake	36,500
24	Kashunamiut	97,342
25	Kenai Peninsula Borough	3,176,094
26	Ketchikan Gateway Borough	497,958
27	Klawock	47,419
28	Kodiak Island Borough	1,064,528
29	Kuspuk	216,705
30	Lake and Peninsula Borough	278,601
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1	Lower Kuskokwim	1,057,862
2	Lower Yukon	891,330
3	Matanuska-Susitna Borough	3,069,148
4	Nenana	60,379
5	Nome	169,705
6	North Slope Borough	807,489
7	Northwest Arctic Borough	483,823
8	Pelican	1,865
9	Petersburg	146,276
10	Pribilof	28,423
11	Saint Mary's	16,071
12	Sitka Borough	565,734
13	Southeast Island	298,122
14	Southwest Region	227,913
15	Tanana	4,406
16	Unalaska	51,268
17	Valdez	618,069
18	Wrangell	171,781
19	Yakutat	11,358
20	Yukon Flats	40,139
21	Yukon/Koyukuk	100,376
22	Yupiit	72,564

23 (c) The sum of \$247,987,581 is appropriated from the general fund to the Department
 24 of Administration for deposit in the defined benefit plan account in the teachers' retirement
 25 system for increased costs for school districts.

26 * **Sec. 5.** The appropriation made by sec. 1(a) of this Act is to capitalize a fund and does not
 27 lapse.

28 * **Sec. 6.** This Act takes effect July 1, 2007.