

(LIMITED RUN SHOWING ALL ADDITIONAL SPONSORSHIPS)

**CS FOR HOUSE BILL NO. 273(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 2/8/08

Referred: Rules

Sponsor(s): REPRESENTATIVES HAWKER BY REQUEST OF THE JOINT LEGISLATIVE EDUCATION FUNDING TASK FORCE, Wilson, Olson, Chenault, Thomas, Roses, Seaton, Joule, Nelson, Meyer

**A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to school funding, funding for student transportation services, the base  
 2 student allocation, district cost factors, and the adjustments for intensive services and  
 3 average daily membership calculations; and providing for an effective date."

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

5 \* **Section 1.** AS 14.09.010(a) is repealed and reenacted to read:

6 (a) A school district that provides student transportation services is eligible to  
 7 receive funding for operating the student transportation system. Subject to  
 8 appropriation, the amount of funding provided by the state under this section is the  
 9 amount of the school district's ADM, less the ADM for the district's correspondence  
 10 programs during the current fiscal year, multiplied by the per student amount for the  
 11 school district as follows:

DISTRICT	PER STUDENT AMOUNT
Alaska Gateway	\$1,566
Aleutians East	265

1	Anchorage	384
2	Annette Island	61
3	Bering Strait	45
4	Bristol Bay	2,187
5	Chatham	73
6	Copper River	1,387
7	Cordova	278
8	Craig	266
9	Delta/Greely	1,413
10	Denali	1,708
11	Dillingham	1,020
12	Fairbanks	665
13	Galena	241
14	Haines	592
15	Hoonah	281
16	Iditarod	178
17	Juneau	525
18	Kake	193
19	Kashunamiut	5
20	Kenai Peninsula	638
21	Ketchikan	686
22	Klawock	210
23	Kodiak Island	560
24	Kuspuk	618
25	Lake and Peninsula	359
26	Lower Kuskokwim	198
27	Lower Yukon	1
28	Matanuska-Susitna	726
29	Nenana	530
30	Nome	368
31	North Slope	896

1	Northwest Arctic	21
2	Pelican	68
3	Petersburg	261
4	Saint Mary's	71
5	Sitka	404
6	Skagway	34
7	Southeast Island	1,040
8	Southwest Region	565
9	Tanana	451
10	Unalaska	612
11	Valdez	629
12	Wrangell	563
13	Yakutat	683
14	Yukon Flats	237
15	Yukon/Koyukuk	282
16	Yupiit	2.

17 \* **Sec. 2.** AS 14.09.010 is amended by adding a new subsection to read:

18 (c) Beginning July 1, 2009, funding provided to a school district under (a) of  
19 this section shall be adjusted annually on October 1 according to changes in the  
20 Consumer Price Index for all urban consumers for the Anchorage metropolitan area  
21 compiled by the United States Department of Labor, Bureau of Labor Statistics. The  
22 index for 1982 to 1984 is the reference base index for an adjustment made under this  
23 subsection.

24 \* **Sec. 3.** AS 14.17.410(b) is amended to read:

25 (b) Public school funding consists of state aid, a required local contribution,  
26 and eligible federal impact aid determined as follows:

27 (1) state aid equals basic need minus a required local contribution and  
28 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum  
29 obtained under (D) of this paragraph, multiplied by the base student allocation set out  
30 in AS 14.17.470; district adjusted ADM is calculated as follows:

31 (A) the ADM of each school in the district is calculated by

1 applying the school size factor to the student count as set out in AS 14.17.450;

2 (B) the number obtained under (A) of this paragraph is  
3 multiplied by the district cost factor described in AS 14.17.460;

4 (C) the ADMs of each school in a district, as adjusted  
5 according to (A) and (B) of this paragraph, are added; the sum is then  
6 multiplied by the special needs factor set out in AS 14.17.420(a)(1);

7 (D) the number obtained for intensive services under  
8 AS 14.17.420(a)(2) and the number obtained for correspondence study under  
9 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

10 **(E) notwithstanding (A) - (C) of this paragraph, if a school**  
11 **district's ADM adjusted for school size under (A) of this paragraph**  
12 **decreases by five percent or more from one fiscal year to the next fiscal**  
13 **year, the school district may use the last fiscal year before the decrease as**  
14 **a base fiscal year to offset the decrease, according to the following method:**

15 **(i) for the first fiscal year after the base fiscal year**  
16 **determined under this subparagraph, the school district's ADM**  
17 **adjusted for school size determined under (A) of this paragraph is**  
18 **calculated as the district's ADM adjusted for school size, plus 75**  
19 **percent of the difference in the district's ADM adjusted for school**  
20 **size between the base fiscal year and the first fiscal year after the**  
21 **base fiscal year;**

22 **(ii) for the second fiscal year after the base fiscal**  
23 **year determined under this subparagraph, the school district's**  
24 **ADM adjusted for school size determined under (A) of this**  
25 **paragraph is calculated as the district's ADM adjusted for school**  
26 **size, plus 50 percent of the difference in the district's ADM**  
27 **adjusted for school size between the base fiscal year and the second**  
28 **fiscal year after the base fiscal year;**

29 **(iii) for the third fiscal year after the base fiscal year**  
30 **determined under this subparagraph, the school district's ADM**  
31 **adjusted for school size determined under (A) of this paragraph is**

1                   calculated as the district's ADM adjusted for school size, plus 25  
 2                   percent of the difference in the district's ADM adjusted for school  
 3                   size between the base fiscal year and the third fiscal year after the  
 4                   base fiscal year;

5                   (F) the method established in (E) of this paragraph is  
 6                   available to a school district for the three fiscal years following the base  
 7                   fiscal year determined under (E) of this paragraph only if the district's  
 8                   ADM adjusted for school size determined under (A) of this paragraph for  
 9                   each fiscal year is less than the district's ADM adjusted for school size in  
 10                   the base fiscal year;

11                   (G) the method established in (E) of this paragraph does  
 12                   not apply to a decrease in the district's ADM adjusted for school size  
 13                   resulting from a loss of enrollment that occurs as a result of a boundary  
 14                   change under AS 29;

15                   (2) the required local contribution of a city or borough school district is  
 16                   the equivalent of a four mill tax levy on the full and true value of the taxable real and  
 17                   personal property in the district as of January 1 of the second preceding fiscal year, as  
 18                   determined by the Department of Commerce, Community, and Economic  
 19                   Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a  
 20                   district's basic need for the preceding fiscal year as determined under (1) of this  
 21                   subsection.

22                   \* **Sec. 4.** AS 14.17.420(a) is amended to read:

23                   (a) As a component of public school funding, a district is eligible for special  
 24                   needs funding and may be eligible for intensive services funding as follows:

25                   (1) special needs funding is available to a district to assist the district  
 26                   in providing special education, gifted and talented education, vocational education,  
 27                   and bilingual education services to its students; a special needs funding factor of 1.20  
 28                   shall be applied as set out in AS 14.17.410(b)(1);

29                   (2) in addition to the special needs funding for which a district is  
 30                   eligible under (1) of this subsection, a district is eligible for intensive services funding  
 31                   for each special education student who needs and receives intensive services and is

1 enrolled on the last day of the count period; for each such student, intensive services  
2 funding is equal to the intensive student count multiplied by nine [FIVE].

3 \* **Sec. 5.** AS 14.17.420(a), as amended by sec. 4 of this Act, is amended to read:

4 (a) As a component of public school funding, a district is eligible for special  
5 needs funding and may be eligible for intensive services funding as follows:

6 (1) special needs funding is available to a district to assist the district  
7 in providing special education, gifted and talented education, vocational education,  
8 and bilingual education services to its students; a special needs funding factor of 1.20  
9 shall be applied as set out in AS 14.17.410(b)(1);

10 (2) in addition to the special needs funding for which a district is  
11 eligible under (1) of this subsection, a district is eligible for intensive services funding  
12 for each special education student who needs and receives intensive services and is  
13 enrolled on the last day of the count period; for each such student, intensive services  
14 funding is equal to the intensive student count multiplied by 11 [NINE].

15 \* **Sec. 6.** AS 14.17.420(a), as amended by secs. 4 and 5 of this Act, is amended to read:

16 (a) As a component of public school funding, a district is eligible for special  
17 needs funding and may be eligible for intensive services funding as follows:

18 (1) special needs funding is available to a district to assist the district  
19 in providing special education, gifted and talented education, vocational education,  
20 and bilingual education services to its students; a special needs funding factor of 1.20  
21 shall be applied as set out in AS 14.17.410(b)(1);

22 (2) in addition to the special needs funding for which a district is  
23 eligible under (1) of this subsection, a district is eligible for intensive services funding  
24 for each special education student who needs and receives intensive services and is  
25 enrolled on the last day of the count period; for each such student, intensive services  
26 funding is equal to the intensive student count multiplied by 13 [11].

27 \* **Sec. 7.** AS 14.17.460(a) is repealed and reenacted to read:

28 (a) For purposes of calculating a district's adjusted ADM under  
29 AS 14.17.410(b)(1), the district cost factor for a school district is (1) for the fiscal year  
30 ending June 30, 2009, the factor set out under column (A) of this subsection, (2) for  
31 the fiscal year ending June 30, 2010, the factor set out under column (B) of this

1 subsection, (3) for the fiscal year ending June 30, 2011, the factor set out under  
 2 column (C) of this subsection, (4) for the fiscal year ending June 30, 2012, the factor  
 3 set out under column (D) of this subsection, and (5) for fiscal years ending on or after  
 4 June 30, 2013, the factor set out under column (E) of this subsection:

5 DISTRICT COST FACTOR

6	DISTRICT	(A)	(B)	(C)	(D)	(E)
7	Alaska Gateway	1.443	1.481	1.519	1.557	1.594
8	Aleutians East	1.707	1.778	1.849	1.920	1.991
9	Aleutians Region	1.838	1.864	1.890	1.916	1.939
10	Anchorage	1.000	1.000	1.000	1.000	1.000
11	Annette Island	1.175	1.216	1.257	1.298	1.338
12	Bering Strait	1.762	1.821	1.880	1.939	1.998
13	Bristol Bay	1.370	1.397	1.424	1.451	1.478
14	Chatham	1.348	1.405	1.462	1.519	1.576
15	Chugach	1.395	1.420	1.445	1.470	1.496
16	Copper River	1.246	1.264	1.282	1.300	1.316
17	Cordova	1.165	1.182	1.199	1.216	1.234
18	Craig	1.108	1.133	1.158	1.183	1.206
19	Delta/Greely	1.174	1.191	1.208	1.225	1.241
20	Denali	1.323	1.326	1.329	1.332	1.332
21	Dillingham	1.300	1.312	1.324	1.336	1.346
22	Fairbanks	1.055	1.059	1.063	1.067	1.070
23	Galena	1.370	1.376	1.382	1.388	1.391
24	Haines	1.104	1.128	1.152	1.176	1.200
25	Hoonah	1.227	1.270	1.313	1.356	1.399
26	Hydaburg	1.295	1.348	1.401	1.454	1.504
27	Iditarod	1.658	1.705	1.752	1.799	1.846
28	Juneau	1.075	1.093	1.111	1.129	1.145
29	Kake	1.242	1.296	1.350	1.404	1.459
30	Kashunamiut	1.504	1.533	1.562	1.591	1.619
31	Kenai Peninsula	1.088	1.109	1.130	1.151	1.171

1	Ketchikan	1.085	1.106	1.127	1.148	1.170
2	Klawock	1.160	1.196	1.232	1.268	1.302
3	Kodiak Island	1.191	1.216	1.241	1.266	1.289
4	Kuspuk	1.584	1.622	1.660	1.698	1.734
5	Lake and Peninsula	1.776	1.831	1.886	1.941	1.994
6	Lower Kuskokwim	1.577	1.599	1.621	1.643	1.663
7	Lower Yukon	1.650	1.703	1.756	1.809	1.861
8	Matanuska-Susitna	1.040	1.048	1.056	1.064	1.070
9	Mt. Edgecumbe	1.098	1.123	1.148	1.173	1.195
10	Nenana	1.304	1.313	1.322	1.331	1.338
11	Nome	1.385	1.402	1.419	1.436	1.450
12	North Slope	1.648	1.684	1.720	1.756	1.791
13	Northwest Arctic	1.686	1.720	1.754	1.788	1.823
14	Pelican	1.384	1.408	1.432	1.456	1.477
15	Petersburg	1.122	1.153	1.184	1.215	1.244
16	Pribilof	1.555	1.589	1.623	1.657	1.691
17	Sitka	1.098	1.123	1.148	1.173	1.195
18	Skagway	1.159	1.163	1.167	1.171	1.174
19	Southeast Island	1.264	1.299	1.334	1.369	1.403
20	Southwest Region	1.554	1.587	1.620	1.653	1.685
21	St. Mary's	1.488	1.522	1.556	1.590	1.624
22	Tanana	1.641	1.677	1.713	1.749	1.786
23	Unalaska	1.343	1.368	1.393	1.418	1.441
24	Valdez	1.133	1.143	1.153	1.163	1.170
25	Wrangell	1.080	1.100	1.120	1.140	1.159
26	Yakutat	1.229	1.275	1.321	1.367	1.412
27	Yukon Flats	1.892	1.948	2.004	2.060	2.116
28	Yukon/Koyukuk	1.669	1.711	1.753	1.795	1.835
29	Yupitit	1.596	1.628	1.660	1.692	1.723.

30 \* **Sec. 8.** AS 14.17.470 is amended to read:

31 **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$5,480**

- 1           [\$5,380].
- 2       \* **Sec. 9.** AS 14.17.470, as amended by sec. 8 of this Act, is amended to read:
- 3                   **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$5,580**
- 4           [\$5,480].
- 5       \* **Sec. 10.** AS 14.17.470, as amended by secs. 8 and 9 of this Act, is amended to read:
- 6                   **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$5,680**
- 7           [\$5,580].
- 8       \* **Sec. 11.** AS 14.09.010(c), added by sec. 2 of this Act, is repealed June 30, 2011.
- 9       \* **Sec. 12.** Sections 1, 3, 4, 7, and 8 of this Act take effect July 1, 2008.
- 10      \* **Sec. 13.** Sections 5 and 9 of this Act take effect July 1, 2009.
- 11      \* **Sec. 14.** Sections 6 and 10 of this Act take effect July 1, 2010.