

SENATE BILL NO. 219

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY SENATORS WILKEN, Bunde

Introduced: 1/16/08

Referred: Senate Special Committee on Education, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Governor's Select Panel on School District Cost Factors;**
2 **repealing current cost factors; relating to child care grants; and providing for an**
3 **effective date."**

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

5 *** Section 1.** AS 14.17.410(b) is amended to read:

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

8 (1) state aid equals basic need minus a required local contribution and
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
10 obtained under **(C)** [(D)] of this paragraph, multiplied by the base student allocation
11 set out in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) [THE NUMBER OBTAINED UNDER (A) OF THIS

1 PARAGRAPH IS MULTIPLIED BY THE DISTRICT COST FACTOR
2 DESCRIBED IN AS 14.17.460;

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

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

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

17 * **Sec. 2.** AS 14.17.440(a) is amended to read:

18 (a) Except as provided in AS 14.17.400(b), funding for state boarding schools
19 established under AS 14.16.010 includes an allocation from the public education fund
20 in an amount calculated by

21 (1) determining the ADM of state boarding schools by applying the
22 school size factor to the student count as described in AS 14.17.450; **and**

23 (2) multiplying the number obtained under (1) of this subsection by the
24 special needs factor in AS 14.17.420(a)(1) and multiplying that product by the base
25 student allocation [; AND

26 (3) MULTIPLYING THE PRODUCT DETERMINED UNDER (2)
27 OF THIS SUBSECTION BY THE DISTRICT COST FACTOR THAT IS
28 APPLICABLE TO CALCULATION OF THE STATE AID FOR THE ADJACENT
29 SCHOOL DISTRICT UNDER AS 14.17.460].

30 * **Sec. 3.** AS 47.25.071(c) is amended to read:

31 (c) A grant under (a) of this section may not exceed \$50 **a** [PER] month for

1 each child the child care facility cares for, or for each full-time equivalent, as
 2 determined by the department. The grant shall be adjusted on a geographic basis as
 3 determined by the commissioner [BY THE SAME FACTOR AS FUNDING FOR A
 4 SCHOOL DISTRICT IS ADJUSTED IN AS 14.17.460].

5 * **Sec. 4.** AS 14.17.460 is repealed.

6 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
 7 read:

8 GOVERNOR'S SELECT PANEL ON SCHOOL DISTRICT COST FACTORS. (a)
 9 The Governor's Select Panel on School District Cost Factors is established within the Office
 10 of the Governor for the purpose of developing a model to measure actual geographic cost
 11 differences in providing public education in kindergarten through grade 12 in the state and
 12 reporting to the governor and legislature.

13 (b) The select panel established under this section consists of eight voting members
 14 and one nonvoting member appointed by the governor as follows:

15 (1) one member representing the

16 (A) Alaska Association of School Business Officials;

17 (B) Anchorage School District;

18 (C) governor's administration;

19 (D) senate;

20 (E) house of representatives;

21 (2) one member who is

22 (A) professionally trained in statistics;

23 (B) a certified public accountant;

24 (C) a member of the general public with a background in mathematics;

25 and

26 (3) one member who represents the legislative finance division of the
 27 legislative affairs agency, as a nonvoting member.

28 (c) The governor shall appoint one of the voting members of the select panel to serve
 29 as chair. Members of the select panel serve at the pleasure of the governor.

30 (d) The duties of the select panel include

31 (1) entering into contracts with not less than two vendors to draft models to

1 measure actual educational cost differences without regard to calculating individual cost
 2 factors; each model must include a method for accurately weighing and measuring several
 3 components of public education, including costs of

- 4 (A) personal services;
- 5 (B) travel and transportation;
- 6 (C) other services, excluding utilities;
- 7 (D) commodities and equipment, excluding utilities;
- 8 (E) energy and utilities;
- 9 (F) facility maintenance;

10 (2) holding regular meetings in person or by teleconference;

11 (3) advising and reviewing the work product of selected vendors at regular
 12 intervals;

13 (4) publicly recommending the best or a combination of the submitted draft
 14 models;

15 (5) accepting public comment on the selected model for at least a 60-day
 16 period beginning not later than September 1, 2009;

17 (6) modifying the selected model based on public comment and review;

18 (7) contracting with the selected vendor to provide data needed to recalculate
 19 school district cost factors;

20 (8) providing regular reports to the governor and to the legislature on the
 21 status of the panel's progress in selecting a model for calculating cost differences and a final
 22 report not later than September 1, 2010, that includes the recalculated school district cost
 23 factors using the new model selected by the panel.

24 (e) The Governor's Select Panel on School District Cost Factors is terminated on
 25 December 31, 2010.

26 * **Sec. 6.** Sections 1 - 4 of this Act take effect on the day following the close of the First
 27 Regular Session of the Twenty-Seventh Alaska State Legislature.

28 * **Sec. 7.** Except as provided in sec. 6 of this Act, this Act takes effect immediately under
 29 AS 01.10.070(c).