

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version SCS CSHB 104(FIN)
 Fiscal Note Number 7
 (S) Publish Date 3/30/12

Identifier (file name) HB104 - EED - Alaska Performance Scholarships Dept. Affected DEED
 Title Alaska Performance Scholarships Appropriation AK Performance Scholarship Awards
 Allocation AK Performance Scholarship Awards
 Sponsor RLS by Request of the Governor
 Requester Senate Finance Committee OMB Component Number 2990

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
			FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits	4,900.0	8,000.0	11,566.0	14,558.0	16,240.0	16,161.0	17,040.0
Miscellaneous							
TOTAL OPERATING	4,900.0	8,000.0	11,566.0	14,558.0	16,240.0	16,161.0	17,040.0

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)	4,900.0	8,000.0	11,566.0	14,558.0	16,240.0	16,161.0
	TOTAL	4,900.0	8,000.0	11,566.0	14,558.0	16,240.0	16,161.0

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 (separate supplemental appropriation required,
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 (separate capital appropriation required,
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

This revised fiscal note restores the \$4.9 million that the Senate Sub-Committee removed from the Governor's FY13 operating budget (bringing total FY13 funding to \$8 million). The funding source will be changed to the Scholarship Fund if this bill is adopted and the new fund code is established.

Prepared by Darwin Peterson
 Division Senate Finance Committee
 Approved by Senator Stedman, Co-Chair
Senator Hoffman, Co-Chair

Phone 465-3873
 Date/Time 3/30/12 8:00 AM
 Date 3/30/2012

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Analysis

The committee substitute bill establishes award income accounts and an investment fund, the earnings from which will pay out Alaska performance scholarships (APS) and AlaskAdvantage education grants (AEG); and, establishes a proportional allocation of funding structure with two-thirds of each year's appropriation allocated to APS and onethird of the appropriation to AEG.

Assumptions for the APS participation projections below include:

Student eligibility rates increase over time from 28% to 44% of high school graduates.
APS utilization rates increase over time from 36% to 50%.
Average award amount is \$3,419.

APS estimates:

#APS Projected Student Headcount by Cohort Year

CY1	CY2	CY3	CY4	CY5	CY6	Total Annual Costs
FY13	1,273	1,067				\$ 8,000.0
FY14	1,181	1,082	1,120			\$11,566.0
FY15	1,157	1,003	1,049	1,041		\$14,558.0
FY16	1,296	983	933	1,049	456	\$16,240.0
FY17	1,296	1,101	914	933	534	\$16,161.0
FY18	1,296	1,101	1,024	914	496	\$17,040.0
FY19	1,512	1,101	1,024	1,024	486	\$18,069.0
FY20	1,512	1,285	1,024	1,024	544	\$18,900.0
FY21	1,512	1,285	1,092	1,024	544	\$19,191.0
FY22	1,584	1,285	1,092	1,092	544	\$19,670.0
FY23	1,584	1,346	1,092	1,092	635	\$20,189.0
FY24	1,584	1,346	1,144	1,092	635	\$20,452.0