

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version CSSB 197(EDC)  
 Fiscal Note Number 1  
 (S) Publish Date 3/14/12

Identifier (file name) SB197-EED-TLS-2-29-12 Dept. Affected Education & Early Development  
 Title "An Act establishing a grant program in the Department of Education and Early Development for achieving ..." Appropriation Teaching and Learning Support  
 Allocation Student & School Achievement  
 Sponsor Senator Thomas  
 Requester Senate Education OMB Component Number 2796

**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					
			FY13	FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>								
Personal Services	92.0		95.0	98.0	101.0	104.0	107.0	
Travel	6.0		6.0	6.0	6.0	6.0	6.0	
Services								
Commodities								
Capital Outlay								
Grants, Benefits	11,898.0	3,900.0	1,112.0	1,112.0	1,112.0	1,112.0	1,112.0	
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>11,996.0</b>	<b>3,900.0</b>	<b>1,213.0</b>	<b>1,216.0</b>	<b>1,219.0</b>	<b>1,222.0</b>	<b>1,225.0</b>	

**FUND SOURCE** (Thousands of Dollars)

1002	Federal Receipts							
1003	GF Match							
1004	GF	11,996.0	3,900.0	1,213.0	1,216.0	1,219.0	1,222.0	1,225.0
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
<b>TOTAL</b>		<b>11,996.0</b>	<b>3,900.0</b>	<b>1,213.0</b>	<b>1,216.0</b>	<b>1,219.0</b>	<b>1,222.0</b>	<b>1,225.0</b>

**POSITIONS**

Full-time	1.0		1.0	1.0	1.0	1.0	1.0	1.0
Part-time								
Temporary								

**CHANGE IN REVENUES**



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

**Estimated CAPITAL (FY13) costs** \_\_\_\_\_ (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)**

Not applicable, initial version.

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 Approved by Mike Hanley  
Commissioner

Phone 465-8721  
 Date/Time 2/29/12 2:30 PM  
 Date 2/29/2012

FISCAL NOTE #1

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. CSSB 197(EDC)

Analysis

**Sec. 1** This bill repeals the Quality Schools Grant money under AS 14.17.480 and establishes a new program, "Achieving Excellence Grant Program," for the purpose of awarding grants to achieve excellence to public schools that have failed to meet adequate yearly progress (AYP). The annual awards would be based on the number of students who drop out of school multiplied by \$400. Under the current Quality Schools Grant program, all school districts are eligible for funding which is calculated by multiplying a school district's ADM by \$16.

School districts who have public schools that failed to meet AYP can apply for a project under this grant. School districts would then need to provide a matching cash amount equal to not less than 10 percent or more than 40 percent of the total project cost. The department would annually determine the percentage for the match required from all school districts based on the availability of state funding for this program. Under the current Quality Schools Grant program, there is no matching cash requirement.

The bill prescribes the uses of the grant funds and requires the department to competitively award funds and review granted project's progress at least once every two years, which is more oversight than required under the current Quality Schools Grant program. Therefore, 1 FTE Education Specialist II would be needed to provide program oversight= 92,378. Travel 6 trips at \$1,000 per trip= 6,000; **Total: \$98,378**

The total available funding for school districts under this new program would be \$1.1 million. This amount is calculated using the most current statewide drop out counts (2,779), from the 2010-2011, multiplied by \$400. Drop out counts from the 2011-2012 school year are not available until November 2012, so grants awarded under this program would need to be based on the prior year data.  $2,779 \times \$400 = \text{Total } \$1,111,6000$

**Section 2** of the bill establishes the maximum cumulative grants for the first year of the program, which is calculated by multiplying the number of students who drop out of school each year, averaged over the 10 years preceding the effective date of the Act, by \$4,800. Currently, the 10 year average is 3,295 students;  $3295 \times \$4,800 = \$15,816,000 - \$3,918,495$  in repealed QSI funding **Total: \$11,898,505** for the first year.