

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: CCS HB 87
 Fiscal Note Number: 3
 (H) Publish Date: 4/12/13

Identifier: CSHB087-EED-K12-4-11-13
 Title: SPECIAL EDUCATION SERVICE AGENCY
 Sponsor: HIGGINS
 Requester: Conference Committee for HB087

Department: Department of Education and Early Development
 Appropriation: K-12 Support
 Allocation: Special Schools
 OMB Component Number: 2735

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	374.8	2,035.5	2,410.3	2,410.3	2,410.3	2,410.3	2,410.3
Miscellaneous							
Total Operating	374.8	2,035.5	2,410.3	2,410.3	2,410.3	2,410.3	2,410.3

Fund Source (Operating Only)

1004 Gen Fund	374.8	2,035.5	2,410.3	2,410.3	2,410.3	2,410.3	2,410.3
Total	374.8	2,035.5	2,410.3	2,410.3	2,410.3	2,410.3	2,410.3

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 373.8

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

The SESA sunset is extended to June 30, 2021.

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Approved By:	Mike Hanley	Date:	04/12/13
	Commissioner		

FISCAL NOTE ANALYSIS #3

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CCS HB 87

Analysis

This legislation amends AS 14.30.650, the funding for the Special Education Service Agency (SESA), by increasing the funding from \$15.75 times the average daily membership (ADM) to \$18.65 times the ADM.

In addition, this legislation is removing language in AS 14.30.650 which addresses the department to reduce payments to SESA by the amount the department contributes to the Alaska public employee and teacher retirement (PERS/TRS) system on-behalf of SESA.

This legislation extends the sunset date for SESA from June 30, 2013 to June 30, 2021. Additionally, the uncodified law is amended stating this Act is retroactive to June 30, 2013.

Since the legislation would take effect immediately under AS 01.10.070(c), the formula for SESA would increase for FY2013 and a supplemental would be required. The current FY2013 SESA Entitlement is \$2,029,952 (FY2012 actual ADM of 128,885.84 x \$15.75). Under the CSHB87, the total entitlement would be \$2,403,721 (FY2012 actual ADM of 128,885.84 x \$18.65); an increase of \$373,769.

SESA is governed by the Governor's Council on Disabilities and Special Education. It provides outreach services to school districts that serve low incidence severely disabled students. [AS 14.30.600 - 660]

FY2014 Calculation:

FY2013 Preliminary ADM	129,240.60
FY2014 Projected SESA Entitlement (appropriation in budget at \$15.75)	\$2,035,539
FY2014 Projected SESA Entitlement (CSSB17 at \$18.65)	<u>\$2,410,337</u>
Additional funding necessary for FY2014 based on CSHB87	\$ 374,798