

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: CSHB 120(EDC)
 Fiscal Note Number: 1
 (H) Publish Date: 3/20/13

Identifier: HB120-EED-K12-3-11-13
 Title: PUPIL TRANSPORTATION FUNDING
 Sponsor: GATTIS
 Requester: House Education Committee

Department: Department of Education and Early Development
 Appropriation: K-12 Support
 Allocation: Pupil Transportation
 OMB Component Number: 144

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							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

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 If yes, by what date are the regulations to be adopted, amended or repealed?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:

Initial version.

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Division	School Finance & Facilities	Date:	03/11/2013 11:00 AM
Approved By:	Mike Hanley	Date:	03/11/13
	Commissioner		

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB 120(EDC)

Analysis

Section 2 of this legislation amends AS 14.09.010, "Transportation of Pupils", by adding a subsection that adjusts the per student amounts annually using the change in the Consumer Price Index (CPI) for all urban consumers for the Anchorage metropolitan area. The index for 1982 through 1984 is the reference base index to be used for this annual adjustment.

The CPI increase of 2.5%, which is reflected in the 10-year plan, was used in the calculations. Using this CPI increase, the estimated state costs of the pupil transportation program for FY2014 through FY2019 are shown below.

Section 4 of this legislation repeals the 1.5% increase that was to be applied to the per student amounts for FY2014 and FY2015 and was put into place during the 2012 Legislature with the passage of House CS for CSSB 182.

The projected amounts under the current law, the projected amounts under SB57 (using the 2.5% CPI increase), and the projected increase in state costs are summarized below:

	<u>Current Law</u>	<u>Total New Costs with 2.5% CPI</u>	<u>Annual Increase in State Costs</u>
FY2014	\$74.7 million	\$75.4 million	\$0.7 million
FY2015	\$75.9 million	\$77.4 million	\$1.5 million
FY2016	\$75.9 million	\$79.3 million	\$3.4 million
FY2017	\$75.9 million	\$81.3 million	\$5.4 million
FY2018	\$75.9 million	\$83.3 million	\$7.4 million
FY2019	\$75.9 million	\$85.4 million	\$9.5 million

This legislation would take effect July 1, 2013.

The funding mechanism is a general fund transfer to the Public Education Fund (PEF). The fiscal note effect for FY2014 through FY2019, as reported above, is reported in a fiscal note for the PEF, as the funding is deposited to the PEF not into the Pupil Transportation Program component. The above analysis and attached calculation is presented here for explanation.

School District	Repealed FY2014	FY2014		Repealed FY2015	FY2015		FY2016	FY2017	FY2018	FY2019
	Projected Grant with 1.5% Increase based on House CS for CSSB182	Projected Grant with CPI of 2.5%*	HB120 Increases in the FY2014 Projected Grant	Projected Grant with 1.5% Increase based on House CS for CSSB182	Projected Grant with CPI of 2.5%*	HB120 Increases in the FY2015 Projected Grant	Projected Grant with CPI of 2.5%*	Projected Grant with CPI of 2.5%*	Projected Grant with CPI of 2.5%*	Projected Grant with CPI of 2.5%*
Alaska Gateway	\$ 675,759	\$ 682,417	\$ 6,658	\$ 685,895	\$ 699,477	\$ 13,582	\$ 716,964	\$ 734,888	\$ 753,260	\$ 772,092
Aleutian Region	-	-	-	-	-	-	-	-	-	-
Aleutians East Borough	75,263	76,005	742	76,392	77,905	1,513	79,853	81,849	83,895	85,992
Anchorage	21,741,417	21,955,618	214,201	22,067,538	22,504,508	436,970	23,067,121	23,643,799	24,234,894	24,840,766
Annette Island	55,500	56,047	547	56,333	57,448	1,115	58,884	60,356	61,865	63,412
Bering Strait	84,707	85,541	834	85,978	87,680	1,702	89,872	92,119	94,422	96,783
Bristol Bay Borough	390,932	394,784	3,852	396,796	404,654	7,858	414,770	425,139	435,767	446,661
Chatham	42,079	42,493	414	42,710	43,555	845	44,644	45,760	46,904	48,077
Chugach	-	-	-	-	-	-	-	-	-	-
Copper River	715,383	722,431	7,048	726,114	740,492	14,378	759,004	777,979	797,428	817,364
Cordova	110,899	111,991	1,092	112,562	114,791	2,229	117,661	120,603	123,618	126,708
Craig	139,853	141,231	1,378	141,951	144,762	2,811	148,381	152,091	155,893	159,790
Delta/Greely	1,321,271	1,334,289	13,018	1,341,090	1,367,646	26,556	1,401,837	1,436,883	1,472,805	1,509,625
Denali Borough	437,720	442,033	4,313	444,286	453,084	8,798	464,411	476,021	487,922	500,120
Dillingham	614,069	620,119	6,050	623,280	635,622	12,342	651,513	667,801	684,496	701,608
Fairbanks N. Star Borough	11,988,074	12,106,183	118,109	12,167,895	12,408,838	240,943	12,719,059	13,037,035	13,362,961	13,697,035
Galena	83,233	84,053	820	84,481	86,154	1,673	88,308	90,516	92,779	95,098
Haines Borough	180,872	182,654	1,782	183,585	187,220	3,635	191,901	196,699	201,616	206,656
Hoonah	35,561	35,911	350	36,094	36,809	715	37,729	38,672	39,639	40,630
Hydaburg	-	-	-	-	-	-	-	-	-	-
Iditarod Area	40,229	40,625	396	40,832	41,641	809	42,682	43,749	44,843	45,964
Juneau Borough	3,087,994	3,118,417	30,423	3,134,314	3,196,377	62,063	3,276,286	3,358,193	3,442,148	3,528,202
Kake	29,932	30,227	295	30,381	30,983	602	31,758	32,552	33,366	34,200
Kashunamiut	1,539	1,554	15	1,562	1,593	31	1,633	1,674	1,716	1,759
Kenai Peninsula Borough	7,720,202	7,796,263	76,061	7,836,005	7,991,170	155,165	8,190,949	8,395,723	8,605,616	8,820,756
Ketchikan Gateway Borough	1,603,573	1,619,372	15,799	1,627,627	1,659,856	32,229	1,701,352	1,743,886	1,787,483	1,832,170
Klawock	79,872	80,659	787	81,070	82,675	1,605	84,742	86,861	89,033	91,259
Kodiak Island Borough	2,010,161	2,029,965	19,804	2,040,313	2,080,714	40,401	2,132,732	2,186,050	2,240,701	2,296,719
Kuspuk	230,476	232,747	2,271	233,933	238,566	4,633	244,530	250,643	256,909	263,332
Lake & Peninsula Borough	127,917	129,178	1,261	129,836	132,407	2,571	135,717	139,110	142,588	146,153
Lower Kuskokwim	1,165,128	1,176,607	11,479	1,182,605	1,206,022	23,417	1,236,173	1,267,077	1,298,754	1,331,223
Lower Yukon	1,999	2,019	20	2,029	2,069	40	2,121	2,174	2,228	2,284
Mat-Su Borough	14,746,017	14,891,298	145,281	14,967,207	15,263,580	296,373	15,645,170	16,036,299	16,437,206	16,848,136
Nenana	126,063	127,305	1,242	127,954	130,488	2,534	133,750	137,094	140,521	144,034
Nome	443,524	447,894	4,370	450,177	459,091	8,914	470,568	482,332	494,390	506,750
North Slope Borough	1,932,960	1,952,004	19,044	1,961,954	2,000,804	38,850	2,050,824	2,102,095	2,154,647	2,208,513
Northwest Arctic Borough	48,628	49,107	479	49,357	50,335	978	51,593	52,883	54,205	55,560
Pelican	1,108	1,119	11	1,125	1,147	22	1,176	1,205	1,235	1,266
Petersburg	176,783	178,525	1,742	179,435	182,988	3,553	187,563	192,252	197,058	201,984
Pribilof	-	-	-	-	-	-	-	-	-	-
Saint Mary's	36,862	37,225	363	37,415	38,156	741	39,110	40,088	41,090	42,117
Sitka Borough	572,582	578,223	5,641	581,171	592,679	11,508	607,496	622,683	638,250	654,206
Skagway	2,405	2,429	24	2,441	2,490	49	2,552	2,616	2,681	2,748
Southeast Island	229,853	232,118	2,265	233,301	237,921	4,620	243,869	249,966	256,215	262,620
Southwest Region	367,424	371,044	3,620	372,935	380,320	7,385	389,828	399,574	409,563	419,802
Tanana	24,269	24,508	239	24,633	25,121	488	25,749	26,393	27,053	27,729
Unalaska	281,494	284,267	2,773	285,716	291,374	5,658	298,658	306,124	313,777	321,621
Valdez	490,466	495,298	4,832	497,823	507,680	9,857	520,372	533,381	546,716	560,384
Wrangell	222,649	224,842	2,193	225,989	230,463	4,474	236,225	242,131	248,184	254,389
Yakutat	68,793	69,470	677	69,825	71,207	1,382	72,987	74,812	76,682	78,599
Yukon Flats	72,154	72,864	710	73,236	74,686	1,450	76,553	78,467	80,429	82,440
Yukon/Koyukuk	93,165	94,083	918	94,562	96,435	1,873	98,846	101,317	103,850	106,446
Yupit	883	892	9	896	914	18	937	960	984	1,009
Totals	\$ 74,729,696	\$ 75,465,948	\$ 736,252	\$ 75,850,639	\$ 77,352,597	\$ 1,501,958	\$ 79,286,413	\$ 81,268,574	\$ 83,300,285	\$ 85,382,791
Annual Increase in State Costs:			\$ 736,252			\$ 1,501,958	\$ 3,435,774	\$ 5,417,935	\$ 7,449,646	\$ 9,532,152

* based on CPI increase of 2.2% each year