

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: CSHB 197(EDC)  
Fiscal Note Number: 1  
(H) Publish Date: 4/11/14

Identifier: HB197CS(EDC)-EED-SSA-04-09-14  
Title: LITERACY PROGRAM  
Sponsor: LEDOUX  
Requester: House Finance Committee

Department: Department of Education and Early Development  
Appropriation: Teaching and Learning Support  
Allocation: Student and School Achievement  
OMB Component Number: 2796

## Expenditures/Revenues

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

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates					
			FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>OPERATING EXPENDITURES</b>								
Personal Services	107.0		110.2	113.5	116.9	120.4	124.0	
Travel								
Services	9.5		9.5	9.5	9.5	9.5	9.5	
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>116.5</b>	<b>0.0</b>	<b>119.7</b>	<b>123.0</b>	<b>126.4</b>	<b>129.9</b>	<b>133.5</b>	

## Fund Source (Operating Only)

1004 Gen Fund	116.5		119.7	123.0	126.4	129.9	133.5
<b>Total</b>	<b>116.5</b>	<b>0.0</b>	<b>119.7</b>	<b>123.0</b>	<b>126.4</b>	<b>129.9</b>	<b>133.5</b>

## Positions

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

<b>Change in Revenues</b>							
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**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2015) cost:** 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/14

## Why this fiscal note differs from previous version:

Updated to reflect additions of 14.30.761 and 14.30.762 in the CS.

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Division: Division of Teaching & Learning Support Date: 04/09/2014 11:38 AM  
Approved By: Mike Hanley Date: 04/09/14  
Agency: Commissioner

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. CSHB 197(EDC)

**Analysis**

Sections 1, 2 and 3, up to page 5, line 13, prescribe the responsibilities for school districts in establishing and implementing a district reading program. These requirements do not have fiscal implications for the department.

Section 3, page 5, line 13, adds a Sec. 14.30.761; Temporary waiver of district reading program requirement and Sec. 14.30.762; Audit of district reading program. These sections require the department to establish a waiver and audit/monitoring process. The waiver process permits the department to provide a temporary waiver to a school district for the reading program requirements for a period not to exceed three years if the district demonstrates that it is taking necessary steps toward establishing and implementing the requirements, or if meeting the requirements was delayed by an extreme circumstance. The audit process requires the department to audit each district to determine consistency of program development and implementation with the requirements prescribed by the proposed legislation. The audit is to take place seven years after full implementation of the district reading program or ten years after the first year of implementation or the district reading program.

In order to establish a waiver and auditing process, and to provide district technical assistance for the development and implementation of a district reading program, one full-time Education Specialist II position would be needed, with salaries and benefits, \$107.0.

Included in the projection is department chargebacks at \$9.5 per employee.