

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: SCS CSHB 278(FIN)  
 Fiscal Note Number: 24  
 (S) Publish Date: 4/19/14

Identifier: HB278 - LB&A 4-19-14  
 Title: EDUCATION  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: Senate Finance

Department: Alaska Legislature  
 Appropriation: Budget and Audit Committee  
 Allocation: Legislative Audit  
 OMB Component Number: 773

**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 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services	650.0							
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>650.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

1004 Gen Fund	650.0							
<b>Total</b>	<b>650.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time								
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? No  
 If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

This CS adds responsibility and funding for the Salary and Benefits Study to the Legislative Budget and Audit Committee (in addition to the study for the school district cost factor study and for the school size factor study).

Prepared By: Co-Chair Senator Kelly Phone: (907)465-3753  
Senate Finance Committee Date: 04/19/2014  
Co-Chair Senator Meyer  
Senate Finance Committee

**SCHOOL DISTRICT COST FACTOR STUDY.** The Legislative Budget and Audit Committee shall provide for a study to be completed not later than January 31, 2017, by an entity with expertise in school finance to evaluate the school district cost factor under AS 14.17.460. The study must either validate the school district cost factor or recommend changes to update the school district cost factor. The study must include a review of the most recent school district operating cost data and the same criteria as the study conducted by the Institute of Social and Economic Research in 2005 titled "Alaska School District Cost Study Update." The committee shall provide a copy of the study conducted under this section to the legislature not later than January 31, 2017.

\* **Sec. 51.** The uncodified law of the State of Alaska is amended by adding a new section to read:

**SCHOOL SIZE FACTOR STUDY.** The Legislative Budget and Audit Committee shall provide for a study to be completed not later than January 31, 2017, by an entity with expertise in school finance to evaluate the school size factor under AS 14.17.450. The study must either validate the school size factor or recommend changes to update the school size factor. The study must include a review of the most recent school operating cost data and the same criteria as the study conducted by the McDowell Group in 1998 titled "Alaska School Operating Cost Study." The committee shall provide a copy of the study conducted under this section to the legislature not later than January 31, 2017.

**LEGISLATIVE BUDGET AND AUDIT COMMITTEE SALARY AND BENEFITS STUDY.** The Legislative Budget and Audit Committee shall provide for a study of salary and benefits schedules of school districts as defined under AS 14.30.350 and present to the legislature, not later than January 1, 2016, a written report on the study.