

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: SCS CSHB 278(FIN)
Fiscal Note Number: 30
(S) Publish Date: 4/19/14

Identifier: HB278SCSCS(FIN)-EED-K12-4-19-14
Title: EDUCATION
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Senate Finance Committee

Department: Department of Education and Early Development
Appropriation: K-12 Support
Allocation: Foundation Program
OMB Component Number: 141

Expenditures/Revenues

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

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
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 (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If yes, by what date are the regulations to be adopted, amended or repealed?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 reflects changes for SCS CSHB 278. Deletes all increases to the BSA; increases the correspondence multiplier from .80 to .90; amends the charter school funding by providing a higher funding starting at 75 average daily membership (ADM), deletes the onetime grant for \$30 million distributed on adjusted ADM; increases required local mil rate to 2.8; adds language to additional local contribution of 23%.

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Division: <u>School Finance & Facilities</u>	Date: <u>04/19/2014 03:00 PM</u>
Approved By: <u>Mike Hanley</u>	Date: <u>04/19/14</u>
Agency: <u>Commissioner</u>	

FISCAL NOTE ANALYSIS #30

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. SCS CSHB 278(FIN)

Analysis

Section 24: Amends AS 14.17.410(b)(2) by changing the mil rate from 2.65 to 2.8 of the full and true value of the taxable real and personal property for the required local calculation. This results in a cost savings to the state in the amount of (\$11,971.6).

Section 25: Amends AS 14.17.410(c)(2) by adding language that 23% of any additional funding distributed to the district through adjusted average daily membership to be included in this calculation for additional local contribution.

Section 26: Amends the correspondence calculation under AS 14.17.400(b) to increase the multiplier from .80 to .90. The FY2015 projected cost is \$6,158.6.

Section 27: Amends AS 14.17.450(d) by reducing the average daily membership for charter schools from 120 to 75 that must be met in order to qualify for funding at the higher rate of the 150 average daily membership (ADM) category.

Based on fiscal year 2015 projections, two charter schools are estimated to be affected for a total dollar amount of \$483.9.

The effective date for both amendments is July 1, 2014.

Funds are deposited in the public education fund (PEF), a second fiscal note posting the expenditures to the PEF is attached.

Department of Education & Early Development

Prepared 4/19/2014

FN: Increases the Correspondence multiple to .90

Prepared by School Finance

Fiscal Note Analysis #30

SCS CSHB 278(FIN)

School District	State Cost .90 Correspondence
Alaska Gateway	\$ 29,050
Aleutian Region	-
Aleutians East Borough	570
Anchorage	500,109
Annette Island	-
Bering Strait	-
Bristol Bay Borough	-
Chatham	1,140
Chugach	141,261
Copper River	25,062
Cordova	-
Craig	162,336
Delta/Greely	59,808
Denali Borough	370,240
Dillingham	4,557
Fairbanks N. Star Borough	153,222
Galena	2,022,080
Haines Borough	5,696
Hoonah	-
Hydaburg	-
Iditarod Area	56,960
Juneau Borough	36,454
Kake	-
Kashunamiut	-
Kenai Peninsula Borough	432,327
Ketchikan Gateway Borough	50,125
Klawock	-
Kodiak Island Borough	57,927
Kuspuk	-
Lake & Peninsula Borough	5,696
Lower Kuskokwim	-
Lower Yukon	-
Mat-Su Borough	1,035,533
Nenana	398,720
Nome	5,126
North Slope Borough	-
Northwest Arctic Borough	-
Pelican	-
Petersburg	-
Pribilof	-
Saint Mary's	-
Sitka Borough	19,366
Skagway	-
Southeast Island	570
Southwest Region	-
Tanana	-
Unalaska	-
Valdez	-
Wrangell	-
Yakutat	3,987
Yukon Flats	-
Yukon/Koyukuk	598,080
Yupiit	-
Mt. Edgecumbe High School	-
TOTAL	\$ 6,176,002

Department of Education & Early Development

Prepared 4/19/2014

FN: Increase to required local Mil rate 2.65 to 2.8

Prepared by School Finance

Fiscal Note Analysis #30

SCS CSHB 278(FIN)

School District	State Savings - Municipal Cost, Required Local 2.65 to 2.8
Alaska Gateway	\$ -
Aleutian Region	-
Aleutians East Borough	(34,831)
Anchorage	(5,523,308)
Annette Island	-
Bering Strait	-
Bristol Bay Borough	(46,970)
Chatham	-
Chugach	-
Copper River	-
Cordova	(45,790)
Craig	(19,371)
Delta/Greely	-
Denali Borough	(37,372)
Dillingham	(30,902)
Fairbanks N. Star Borough	(1,575,236)
Galena	(4,555)
Haines Borough	(57,502)
Hoonah	(11,017)
Hydaburg	(2,298)
Iditarod Area	-
Juneau Borough	(733,857)
Kake	(4,309)
Kashunamiut	-
Kenai Peninsula Borough	(1,335,506)
Ketchikan Gateway Borough	(251,211)
Klawock	(8,116)
Kodiak Island Borough	(227,333)
Kuspuk	-
Lake & Peninsula Borough	(21,439)
Lower Kuskokwim	-
Lower Yukon	-
Mat-Su Borough	(1,470,712)
Nenana	(4,393)
Nome	(56,833)
North Slope Borough	-
Northwest Arctic Borough	(114,383)
Pelican	(1,820)
Petersburg	(48,386)
Pribilof	-
Saint Mary's	(2,001)
Sitka Borough	(174,448)
Skagway	-
Southeast Island	-
Southwest Region	-
Tanana	(1,397)
Unalaska	(84,394)
Valdez	-
Wrangell	(30,701)
Yakutat	(11,200)
Yukon Flats	-
Yukon/Koyukuk	-
Yupiit	-
Mt. Edgecumbe High School	-
TOTAL	\$ (11,971,591)