

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: HCS CSSSSB 47(FIN)
 Fiscal Note Number: 3
 (H) Publish Date: 4/13/13

Identifier: CSSSSB047-EED-K12-4-12-13
 Title: DISTRICT OPERATED BOARDING SCHOOLS
 Sponsor: COGHILL
 Requester: House Finance Committee

Department: Department of Education and Early Development
 Appropriation: K-12 Support
 Allocation: Boarding Home Grants
 OMB Component Number: 148

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					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	1,660.7	2,088.8	1,660.7	1,660.7	1,660.7	1,660.7	1,660.7
Miscellaneous							
Total Operating	1,660.7	2,088.8	1,660.7	1,660.7	1,660.7	1,660.7	1,660.7

Fund Source (Operating Only)

1004 Gen Fund	1,660.7	2,088.8	1,660.7	1,660.7	1,660.7	1,660.7	1,660.7
Total	1,660.7	2,088.8	1,660.7	1,660.7	1,660.7	1,660.7	1,660.7

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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 03/01/14

Why this fiscal note differs from previous version:

This fiscal note changed from the prior version by amending the per pupil monthly stipend rate to 2x the current rate in law.

Prepared By:	Elizabeth Nudelman, Director	Phone:	(907)465-8697
Division	School Finance & Facilities	Date:	04/12/2013 01:00 PM
Approved By:	Mike Hanley	Date:	04/12/13
	Commissioner		

FISCAL NOTE ANALYSIS #3

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HCS CSSSSB 47(FIN)

Analysis

The legislation amends AS 14.16.200, State funding for districts operating statewide residential educational programs and would take effect July 1, 2013.

The calculations and fiscal note cost estimates respond to the three currently approved programs. Future schools that may be approved under the amended law are not included in the fiscal note cost estimate and adding schools, including district-wide and variable-term schools, would cause this annual cost to increase.

The residential program per pupil monthly stipend is paid for nine months, times the rate, times the actual count. Calculating the rate from 1x in law to 2x for the three currently approved statewide residential programs increases the cost by \$1,660.7 annually.

<u>Region</u>	<u>Program</u>	<u>Maximum Capacity</u>	<u>Current Rate (1x)</u>	<u>Current Total</u>	<u>CSSSSB47 Rate (2x)</u>	<u>CSSSSB47 Total</u>	<u>Increase in State Cost</u>
Region I	None	0	\$410	\$0	\$820	\$0	\$0
Region II	None	0	\$400	\$0	\$800	\$0	\$0
Region III	Nenana	88	\$484	\$383,328	\$968	\$766,656	\$383,328
Region IV	Lower Kuskokwim	35	\$503	\$158,445	\$1,006	\$316,890	\$158,445
Region V	Galena	210	\$592	<u>\$1,118,880</u>	\$1,184	<u>\$2,237,760</u>	<u>\$1,118,880</u>
			Totals:	\$1,660,653		\$3,321,306	\$1,660,653

The program also provides for one round trip ticket per student, at the least expensive means, between the student's community of residence and the school if the district expends money for the trip.

Total per pupil monthly stipends per legislation	\$3,321,306
Additional cost of round trip tickets for all three programs based on FY2012	\$ 242,247
Add Boarding Home Program (AS 14.07.030)	<u>\$ 185,900</u>
Total program if legislation passes and residential is funded at 2x the boarding stipend:	\$3,749,453
Total appropriation in budget	\$2,088,800
Total funding necessary to fund 2x & Boarding Home if this legislation is passed:	<u>\$3,749,453</u>
Additional funding necessary to fund residential at 2x (fiscal note)	\$1,660,653