

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: HCS CSSB 57(EDC)
 Fiscal Note Number: 5
 (H) Publish Date: 4/13/13

Identifier: CSSB057-EED-PEF-4-12-13
 Title: LITERACY, PUPIL TRANSP, TEACHER NOTICES
 Sponsor: STEVENS
 Requester: House Finance Committee

Department: Fund Transfers
 Appropriation: Designated Savings (UGF)
 Allocation: Public Education Fund (Savings) (AS. 14.17.300)
 OMB Component Number: 2929

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	736.3		1,502.0	3,435.8	3,435.8	3,435.8	3,435.8
Miscellaneous							
Total Operating	736.3	0.0	1,502.0	3,435.8	3,435.8	3,435.8	3,435.8

Fund Source (Operating Only)

1004 Gen Fund	736.3		1,502.0	3,435.8	3,435.8	3,435.8	3,435.8
Total	736.3	0.0	1,502.0	3,435.8	3,435.8	3,435.8	3,435.8

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 If yes, by what date are the regulations to be adopted, amended or repealed?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

This fiscal note differs from the previous version due to a sunset being included on the CPI adjustment to the per student factors for the Pupil Transportation Program. The CPI adjustment would be effective for FY2014, FY2015, and FY2016.

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Division: School Finance and Facilities	Date: 04/12/2013 12:50 PM
Approved By: Mike Hanley	Date: 04/12/13
Commissioner	

FISCAL NOTE ANALYSIS #5

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HCS CSSB 57(EDC)

Analysis

This fiscal note capitalizes the Public Education Fund (PEF) as set out in CSSB57 in order to provide sufficient funding to address the Pupil Transportation Program.

CSSB57 increases the amount of pupil transportation funding provided to school districts through the Pupil Transportation Program funding formula at AS 14.09.010, "Transportation of Pupils." The program provides state funding for pupil transportation by assigning each participating school district an individual per student factor and then multiplying the factor by the current annual average daily membership (ADM) to arrive at each school district's annual funding.

Section 3 of this legislation repeals the 1.5% increase that was to be applied to the per student factors for FY2014 and FY2015.

Section 4 of this legislation amends uncodified law by adding a new section for a pupil transportation adjustment. A CPI calculation at 2.5% would adjust the per student factors in FY2014, FY2015, and FY2016. For FY2017 and forward, the per student factors are the FY2016 factors without change.

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 and on the attached spreadsheet titled Pupil Transportation Program.

The FY2013 Cost of the Pupil Transportation Program is \$73,795.9. Under CSSB57, the total program costs are estimated to be:

	<u>Current Law</u>	<u>Total New Costs with 2.5% CPI</u>	<u>Annual (Accumulated) 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	\$79.3 million	\$3.4 million
FY2018	\$75.9 million	\$79.3 million	\$3.4 million
FY2019	\$75.9 million	\$79.3 million	\$3.4 million

This legislation would take effect July 1, 2013.

School District	FY2013		1.015 repealed		New Cost		1.025		1.015 repealed		New Cost		New Cost		New Cost	
	Per-Student Cost	FY2013 Preliminary ADM	FY2014 = FY2013 Per-Student Cost with 1.5% (increase based on current law)	FY2014 Projected Grant (FY2014 Per Student * FY2013 Preliminary ADM)	FY2014 Per-Student Cost with CPI of 2.5%*	FY2014 Projected Grant (FY2014 Per Student * FY2013 Preliminary ADM)	FY2015 = FY2014 Per-Student Cost with 1.5% (increase based on current law)	FY2015 Projected Grant (FY2015 Per Student * FY2013 Preliminary ADM)	FY2015 Projected Grant (FY2015 Per Student Cost with CPI of 2.5%* x FY2013 Preliminary ADM)	FY2016 Projected Grant (FY2016 Per Student Cost with CPI of 2.5%* x FY2013 Preliminary ADM)	FY2017, FY2018, FY2019 = Carry forward FY2016 costs					
Alaska Gateway	\$ 2,148	310	\$ 2,180	\$ 675,759	\$ 2,202	\$ 682,417	\$ 2,213	\$ 685,896	\$ 699,477	\$ 716,964	\$ 716,964					
Aleutian Region	0	25	0	-	-	-	0	-	-	-						
Aleutians East Borough	321	231	326	75,263	329	76,005	331	76,392	77,905	79,853	79,853					
Anchorage	449	47,706	456	21,741,417	460	21,955,618	463	22,067,538	22,504,508	23,067,121	23,067,121					
Annette Island	188	291	191	55,500	193	56,047	194	56,332	57,448	58,884	58,884					
Bering Strait	50	1,669	51	84,707	51	85,541	52	85,977	87,680	89,872	89,872					
Bristol Bay Borough	2,758	140	2,799	390,932	2,827	394,784	2,841	396,796	404,654	414,770	414,770					
Chatham	289	143	293	42,079	296	42,493	298	42,710	43,555	44,644	44,644					
Chugach	0	60	0	-	-	-	0	-	-	-						
Copper River	1,637	431	1,662	715,383	1,678	722,431	1,686	726,113	740,492	759,004	759,004					
Cordova	346	316	351	110,899	355	111,991	356	112,562	114,791	117,661	117,661					
Craig	437	315	444	139,853	448	141,231	450	141,951	144,762	148,381	148,381					
Delta/Greely	1,709	762	1,735	1,321,271	1,752	1,334,289	1,761	1,341,091	1,367,646	1,401,837	1,401,837					
Denali Borough	1,866	231	1,894	437,720	1,913	442,033	1,922	444,286	453,084	464,411	464,411					
Dillingham	1,257	481	1,276	614,069	1,288	620,119	1,295	623,280	635,622	651,513	651,513					
Fairbanks N. Star Borough	843	14,011	856	11,988,074	864	12,106,183	868	12,167,895	12,408,838	12,719,059	12,719,059					
Galena	263	312	267	83,233	270	84,053	271	84,482	86,154	88,308	88,308					
Haines Borough	646	276	656	180,872	662	182,654	666	183,585	187,220	191,901	191,901					
Hoonah	308	114	313	35,561	316	35,911	317	36,094	36,809	37,729	37,729					
Hydaburg	0	53	0	-	-	-	0	-	-	-						
Iditarod Area	218	182	221	40,229	223	40,625	225	40,833	41,641	42,682	42,682					
Juneau Borough	623	4,883	632	3,087,994	639	3,118,417	642	3,134,313	3,196,377	3,276,286	3,276,286					
Kake	280	105	284	29,932	287	30,227	288	30,381	30,983	31,758	31,758					
Kashunamiut	5	303	5	1,539	5	1,554	5	1,562	1,593	1,633	1,633					
Kenai Peninsula Borough	944	8,057	958	7,720,202	968	7,796,263	973	7,836,005	7,991,170	8,190,949	8,190,949					
Ketchikan Gateway Borough	750	2,107	761	1,603,573	769	1,619,372	773	1,627,627	1,659,856	1,701,352	1,701,352					
Klawock	603	131	612	79,872	618	80,659	621	81,070	82,675	84,742	84,742					
Kodiak Island Borough	825	2,401	837	2,010,161	846	2,029,965	850	2,040,313	2,080,714	2,132,732	2,132,732					
Kuspuk	675	336	685	230,476	692	232,747	695	233,933	238,566	244,530	244,530					
Lake & Peninsula Borough	396	318	402	127,917	406	129,178	408	129,836	132,407	135,717	135,717					
Lower Kuskokwim	286	4,014	290	1,165,128	293	1,176,607	295	1,182,605	1,206,022	1,236,173	1,236,173					
Lower Yukon	1	1,970	1	1,999	1	2,019	1	2,029	2,069	2,121	2,121					
Mat-Su Borough	939	15,472	953	14,746,017	962	14,891,298	967	14,967,207	15,263,580	15,645,170	15,645,170					
Nenana	606	205	615	126,063	621	127,305	624	127,954	130,488	133,750	133,750					
Nome	641	682	651	443,524	657	447,894	660	450,177	459,091	470,568	470,568					
North Slope Borough	1,156	1,647	1,173	1,932,960	1,185	1,952,004	1,191	1,961,955	2,000,804	2,050,824	2,050,824					
Northwest Arctic Borough	26	1,843	26	48,628	27	49,107	27	49,357	50,335	51,593	51,593					
Pelican	74	15	75	1,108	76	1,119	76	1,124	1,147	1,176	1,176					
Petersburg	386	451	392	176,783	396	178,525	398	179,435	182,988	187,563	187,563					
Pribilof	0	89	0	-	-	-	0	-	-	-						
Saint Mary's	199	183	202	36,862	204	37,225	205	37,415	38,156	39,110	39,110					
Sitka Borough	442	1,276	449	572,582	453	578,223	455	581,171	592,679	607,496	607,496					
Skagway	37	64	38	2,405	38	2,429	38	2,441	2,490	2,552	2,552					
Southeast Island	1,192	190	1,210	229,853	1,222	232,118	1,228	233,301	237,921	243,869	243,869					
Southwest Region	617	587	626	367,424	632	371,044	636	372,935	380,320	389,828	389,828					
Tanana	493	49	500	24,269	505	24,508	508	24,633	25,121	25,749	25,749					
Unalaska	669	415	679	281,494	686	284,267	689	285,716	291,374	298,658	298,658					
Valdez	759	637	770	490,466	778	495,298	782	497,823	507,680	520,372	520,372					
Wrangell	723	303	734	222,649	741	224,842	745	225,988	230,463	236,225	236,225					
Yakutat	768	88	780	68,793	787	69,470	791	69,825	71,207	72,987	72,987					
Yukon Flats	272	261	276	72,154	279	72,864	280	73,236	74,686	76,553	76,553					
Yukon/Koyukuk	309	297	314	93,165	317	94,083	318	94,563	96,435	98,846	98,846					
Yupitit	2	435	2	883	2	892	2	897	914	937	937					
Totals	\$ 31,431	117,871	\$ 31,902	\$ 74,729,696	\$ 32,217	\$ 75,465,948	\$ 32,381	\$ 75,850,640	\$ 77,352,597	\$ 79,286,413	\$ 79,286,413					

Annual (Accumulated) Increase in State Cost, New Law:

\$ 736,252

\$ 1,501,957

\$ 3,435,773

\$ 3,435,773

* based on CPI increase of 2.5%