

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	CSHB 213(FIN)
Fiscal Note Number:	2
(H) Publish Date:	2/12/2018

Identifier: HB213CS-EED-MEHS-1-29-18
Title: PUBLIC SCHOOL TRUST FUND
Sponsor: PARISH
Requester: House Finance Committee

Department: Department of Education and Early Development
Appropriation: Mt. Edgecumbe Boarding School
Allocation: Mt. Edgecumbe Boarding School
OMB Component Number: 1060

Expenditures/Revenues

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

	FY2019	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2019 Request	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES	FY 2019	FY 2019					
Personal Services		1,013.0					
Travel		302.4					
Services		3,321.7					
Commodities		25.5					
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	4,662.6	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1066 Pub School (Other)		4,662.6					
Total	0.0	4,662.6	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) 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If yes, by what date are the regulations to be adopted, amended or repealed?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/comments:

The committee substitute: changes the POMV to five years with a one year lag; estimated to yield a total of \$27,053.0; results in a reduction of \$947.0 million to the Public School Trust Funds and corresponding increase to the UGF.

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Phone: (907)465-2875
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Date: 01/29/18

**REPORTED OUT OF
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

CSHB213 proposes changes to the Public School Trust Fund under AS 37.14, with a new percent of market value (POMV) approach. The POMV proposed would identify 4.75% of the monthly average market value of the fund for the previous five fiscal years preceding the previous fiscal year, as determined by the commissioner of revenue, at June 30 as available for use in the state public school program (Foundation Program) and reimbursement of the costs of administration of the fund.

Within the FY2019 Governor's Budget, \$28,000.0 is already appropriated from the Public School Trust Fund of which \$23,337.4 is for the Foundation Program and \$4,662.6 is for Mt. Edgecumbe Boarding School. Based on current statutes, the Department of Revenue only recommended \$10,000.0 from the Public School Trust Fund for FY2019. The POMV proposed would make the additional \$17,053.0 realizable.

It provides for an immediate effective date.