

Fiscal Note

State of Alaska
2018 Legislative Session

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| Bill Version: | SB 102 |
| Fiscal Note Number: | 3 |
| (S) Publish Date: | 4/13/2018 |

Identifier: SB102-EED-LO-1-16-18
 Title: INTERNET FOR SCHOOLS; FUNDING
 Sponsor: FINANCE
 Requester: Senate Rules Committee

Department: Department of Education and Early Development
 Appropriation: Alaska State Libraries, Archives and Museums
 Allocation: Library Operations
 OMB Component Number: 208

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 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| OPERATING EXPENDITURES | | | | | | | | |
| Personal Services | | | | | | | | |
| Travel | | | | | | | | |
| Services | 30.0 | | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 |
| Commodities | | | | | | | | |
| Capital Outlay | | | | | | | | |
| Grants & Benefits | 16,000.0 | 2,581.4 | 16,000.0 | 16,000.0 | 16,000.0 | 16,000.0 | 16,000.0 | 16,000.0 |
| Miscellaneous | | | | | | | | |
| Total Operating | 16,030.0 | 2,581.4 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 |

Fund Source (Operating Only)

| | | | | | | | | |
|--------------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1226 High Ed (DGF) | 16,030.0 | 2,581.4 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 |
| Total | 16,030.0 | 2,581.4 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 | 16,030.0 |

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 | 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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 09/30/18

Why this fiscal note differs from previous version/comments:

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|---|
| Updated for 2nd Session and to accurately reflect out year costs. |
|---|

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|--------------|---|--------|---------------|
| Prepared By: | Patience Frederiksen, Director | Phone: | (907)465-2911 |
| Division: | Libraries, Archives & Museums | Date: | 01/12/2018 |
| Approved By: | Dr. Michael Johnson, Commissioner | Date: | 01/16/18 |
| Agency: | Department of Education & Early Development | | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

Analysis

Section 1: Amends AS 14.03.127, Funding for Internet services, (a) by increasing the megabits threshold for this program from 10 megabits to 25 megabits per second (mbps). A district in which one or more schools qualify for a discounted rate for Internet services is eligible to receive an amount for each school that is equal to the amount needed to bring the applicant's share to 25 megabits of download a second of the Internet services. This has been implemented through the School Broadband Assistance Grant (School BAG) program as managed by the Department of Education & Early Development's (DEED) Alaska State Library.

In the absence of more current and accurate information, DEED used a Federal Communications Commission-generated list from 2016 which shows that 197 schools are under 25 mbps. The estimated cost to bring the 197 schools up to 25 mbps would be \$16,000.0. This amount could be smaller or larger based on more current information.

Additional contract hours and a technical review of grant applications will be necessary to administer the expanded grant program; \$30.0. In addition, regulations will need to be updated to reflect the increase from 10 mbps to 25 mbps, requiring an additional \$4.0 for legal services costs associated with the regulation changes.