

Fiscal Note

State of Alaska
2017 Legislative Session

| | |
|---------------------|---------------|
| Bill Version: | CSSB 103(FIN) |
| Fiscal Note Number: | 5 |
| (S) Publish Date: | 4/15/2017 |

Identifier: SB103CS(FIN)-EED-ACPE-04-14-17
 Title: ED GRANTS/SCHOLARSHIP;INNOVATIVE ED FUND
 Sponsor: FINANCE
 Requester: Senate Rules Committee

Department: Department of Education and Early Development
 Appropriation: Alaska Postsecondary Education Commission
 Allocation: Program Administration & Operations
 OMB Component Number: 2738

Expenditures/Revenues

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

| | FY2018 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|------------------|------------------|------------------|------------------|
| | Appropriation Requested | Governor's FY2018 Request | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
| OPERATING EXPENDITURES | FY 2018 | FY 2018 | | | | | |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | 82.8 | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | (745.0) | 5,875.0 | (1,319.0) | (1,805.0) | (2,211.0) | (5,875.0) | (5,875.0) |
| Miscellaneous | | | | | | | |
| Total Operating | (745.0) | 5,957.8 | (1,319.0) | (1,805.0) | (2,211.0) | (5,875.0) | (5,875.0) |

Fund Source (Operating Only)

| | | | | | | | |
|--------------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|
| 1226 High Ed (DGF) | (745.0) | 5,957.8 | (1,319.0) | (1,805.0) | (2,211.0) | (5,875.0) | (5,875.0) |
| Total | (745.0) | 5,957.8 | (1,319.0) | (1,805.0) | (2,211.0) | (5,875.0) | (5,875.0) |

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 (FY2017) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) 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:

Correction to the fund source, carrying out the reduction in FY2022 and FY2023, and changing the repeal date for the Alaska Education Grant (AEG).

| | | | |
|--------------|--|--------|---------------------|
| Prepared By: | Stephanie Butler | Phone: | (907)465-6740 |
| Division: | Alaska Commission on Postsecondary Education | Date: | 04/14/2017 04:00 PM |
| Approved By: | Stephanie Butler | Date: | 04/14/17 |
| Agency: | Alaska Commission on Postsecondary Education | | |

REPORTED OUT OF
SFC 04/15/2017

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

Senate Bill 103 repeals the Alaska Education Grant on May 30, 2021.

Pursuant to AS 14.43.915(c) the Commission is directed to allocate funding made available for the Alaska Performance Scholarship (APS) and Alaska Education Grant (AEG) on a two-thirds to one-third ratio. Accordingly, the amount of funding for the AEG is determined based on the estimated annual funding level for the APS.

Projected payments for FY2018 - FY2021 under this scenario are:

| | <u>APS</u> | <u>AEG</u> |
|----------------|-------------------|---------------|
| FY2018: | \$ 10,259.7 | \$ 5,130.0 |
| FY2019: | \$ 9,112.2 | \$ 4,556.0 |
| FY2020: | \$ 8,139.1 | \$ 4,070.0 |
| FY2021: | \$ 7,327.4 | \$ 3,664.0 |
| FY2022: | \$ 6,600.0 | \$ 0.0 |
| <u>FY2023:</u> | <u>\$ 7,327.4</u> | <u>\$ 0.0</u> |
| Total: | \$ 48,038.4 | \$ 17,420.0 |

On page one, the out-year cost estimates are shown as reductions from the FY2018 appropriation level of \$5,875.0. The services amount of \$82.8 is the cost of maintenance on the grants and scholarships management system.