

Fiscal Note

State of Alaska
2017 Legislative Session

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| Bill Version: | CSSB 103(FIN) |
| Fiscal Note Number: | 6 |
| (S) Publish Date: | 4/15/2017 |

Identifier: SB103CS(FIN)-EED-APSA-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 Performance Scholarship Awards
 Allocation: Alaska Performance Scholarship Awards
 OMB Component Number: 2990

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 | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | (1,490.3) | 11,750.0 | (2,637.8) | (3,610.9) | (4,422.6) | (5,150.0) | (5,150.0) |
| Miscellaneous | | | | | | | |
| Total Operating | (1,490.3) | 11,750.0 | (2,637.8) | (3,610.9) | (4,422.6) | (5,150.0) | (5,150.0) |

Fund Source (Operating Only)

| | | | | | | | |
|--------------------|------------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| 1226 High Ed (DGF) | (1,490.3) | 11,750.0 | (2,637.8) | (3,610.9) | (4,422.6) | (5,150.0) | (5,150.0) |
| Total | (1,490.3) | 11,750.0 | (2,637.8) | (3,610.9) | (4,422.6) | (5,150.0) | (5,150.0) |

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:

Projected payments for Level 1 Alaska Performance Scholarship (APS) recipients only with the phase out of Levels 2 and 3 through FY2021.

| | | | |
|--------------|--|--------|---------------------|
| 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 phases out and repeals Levels 2 and 3 of the Alaska Performance Scholarship (APS) by May 30, 2021. It would allow eligible 2017 high school graduating class and college students to access all levels of the scholarship under a phase-out plan and will be permitted four years within which to apply for and receive scholarship payments. Level 1 of the scholarship will remain in perpetuity with a cost of \$6,600.0 annually.

Projected payments under this scenario are:

| | <u>Level 1</u> | <u>Level 2-3</u> | <u>Total</u> |
|----------------|-------------------|------------------|-------------------|
| FY2018: | \$ 6,600.0 | \$ 3,659.7 | \$ 10,259.7 |
| FY2019: | \$ 6,600.0 | \$ 2,512.2 | \$ 9,112.2 |
| FY2020: | \$ 6,600.0 | \$ 1,539.1 | \$ 8,139.1 |
| FY2021: | \$ 6,600.0 | \$ 727.4 | \$ 7,327.4 |
| FY2022: | \$ 6,600.0 | \$ 0.0 | \$ 6,600.0 |
| <u>FY2023:</u> | <u>\$ 6,600.0</u> | <u>\$ 0.0</u> | <u>\$ 6,600.0</u> |
| Total: | \$ 39,600.0 | \$ 8,438.4 | \$ 48,038.4 |

On page one, the out-year cost estimates are shown as reductions from \$5,150.0, which is the portion of the FY2018 original appropriation of \$11,750.0 that covers the costs for the Level 2 and 3 recipients.