

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version:	CSSB 111(FIN)
Fiscal Note Number:	8
(S) Publish Date:	4/12/2022

Identifier: SB111CS(FIN)-EED-PK-3-16-22
Title: EARLY EDUCATION; READING INTERVENTION
Sponsor: EDUCATION
Requester: Senate Finance

Department: Department of Education and Early Development
Appropriation: Education Support and Admin Services
Allocation: Pre-Kindergarten Grants
OMB Component Number: 3028

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits			2,999.9	2,999.9	2,999.9	2,999.9	2,999.9
Miscellaneous							
Total Operating	0.0	0.0	2,999.9	2,999.9	2,999.9	2,999.9	2,999.9

Fund Source (Operating Only)

1004 Gen Fund (UGF)			2,999.9	2,999.9	2,999.9	2,999.9	2,999.9
Total	0.0	0.0	2,999.9	2,999.9	2,999.9	2,999.9	2,999.9

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 (FY2022) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2023) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - 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If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/23

Why this fiscal note differs from previous version/comments:

Updated to accurately reflect correct statutory citation for the early education program; updated the effective date from July 1, 2022 to July 1, 2023; removed the fiscal impact in FY2023 due to the revised effective date; and updated chart of page 3 due to the revised effective date.

Prepared By: Heidi Teshner, Acting Deputy Commissioner
Division: Finance and Support Services
Approved By: Lacey Sanders, Administrative Services Director
Agency: Department of Education & Early Development

Phone: (907)465-2875
Date: 03/16/2022 12:15 PM
Date: 03/16/22

REPORTED OUT OF
SFC 04/11/2022

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

Analysis

This bill creates four new programs: an early education program, a comprehensive reading intervention program, a school improvement reading program, and a virtual education consortium. **This fiscal note addresses the early education program.**

The early education program, created under AS 14.03.410, is approved by the Department of Education and Early Development (DEED) and funded by the state through a three-year grant process. Once those districts have completed the three-year grant cycle and DEED has determined the early education program complies with the adopted standards as created by the State Board of Education and Early Development, then those programs may be eligible for 1/2 the full-time equivalent for average daily membership (ADM) funding under AS 14.17.410. Foundation funding would only be provided to those districts that are not already receiving early education funding by another state or federal program. The early education program is repealed on June 30, 2034 (FY2034).

Page 3 of this fiscal note provides the funding breakdown by fiscal year for the three-year grant program.

Costs associated with the operation of the early education program grants are reflected in the Early Learning Coordination fiscal note.

The effective date of this bill is July 1, 2023 (FY2024).

Department of Education & Early Development
Prepared 3/16/2022

Table 1

Current Number of Districts operating a Pre-Kindergarten program	17
(17 districts registered in 2020-21)	
4 year old cohort*	10,000
Current District reported Pre-K Served* Head Start*	1,494
Number students served by this legislation	988
	5,742
	8,224
Percent of 4 year old students served*	82.24%
* estimated	
Foundation Component / Public Education Fund	
1/2 the average per student cost =	\$ 4,702.00

Table 2

3-Year Early Education Grant cycle - district eligibility		
District Cohort	Fiscal Year	Number of Students *
1	2024	638
2	2025	638
3	2026	638
4	2027	638
5	2028	638
6	2029	638
7	2030	638
8	2031	638
9	2032	638
Total		5,742

* 638 is the maximum number of students eligible based on 1/2 the average per student cost and the \$3 million annual cap.

Table 3

Pre-Kindergarten Grant Component	(Table 2) Number of Students
3-year Early Education Grant cycle	
Year 1 - FY2024 (District Cohort 1)	638
Year 2 - FY2025 (District Cohorts 1, 2)	638
Year 3 - FY2026 (District Cohorts 1, 2, 3)	638
Year 4 - FY2027 (District Cohorts 2, 3, 4)	638
Year 5 - FY2028 (District Cohorts 3, 4, 5)	638
Year 6 - FY2029 (District Cohorts 4, 5, 6)	638
Year 7 - FY2030 (District Cohorts 5, 6, 7)	638
Year 8 - FY2031 (District Cohorts 6, 7, 8)	638
Year 9 - FY2032 (District Cohorts 7, 8, 9)	638
Year 10 - FY2033 (District Cohort 8, 9)	638
Year 11 - FY2034 (District Cohort 9)	638

Table 4

Foundation Component / Public Education Fund	Fiscal Year	Number of Students
1/2 the average per student cost = \$4,803		
Year 1 FY2024 grant program- students served	FY2027	638
Year 2 FY2025 grant program- students served	FY2028	638
Year 3 FY2026 grant program- students served	FY2029	638
Year 4 FY2027 grant program- students served	FY2030	638
Year 5 FY2028 grant program- students served	FY2031	638
Year 6 FY2029 grant program- students served	FY2032	638
Year 7 FY2030 grant program- students served	FY2033	638
Year 8 FY2031 grant program- students served	FY2034	638
Year 9 FY2032 grant program- students served	FY2035	0
Total		5,104

3-year Early Education Grant cycle (Table 3)

FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY2030	FY2031	FY 2032	FY 2033	FY 2034	FY2035
\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$ -
		Moved to ADM/State Aid	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$2,999,876	\$ -
										Total ADM/State Aid	\$23,999,008
										Total Grant	\$32,998,636