

AMENDMENT #26

OFFERED IN THE HOUSE

BY REPRESENTATIVE MCKAY

TO: CSSB 140(FIN)

1 Page 1, line 1, following "districts;": *(title amendment)*

2 Insert "relating to gifted and talented enrichment programs;"

3

4 Page 1, line 10:

5 Delete all material and insert:

6 **** Sec. 2.** AS 14.17.410(b) is amended to read:

7 (b) Public school funding consists of state aid, a required local contribution,
8 and eligible federal impact aid determined as follows:

9 (1) state aid equals basic need minus a required local contribution and
10 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
11 obtained under (D) of this paragraph, multiplied by the base student allocation set out
12 in AS 14.17.470; district adjusted ADM is calculated as follows:

13 (A) the ADM of each school in the district is calculated by
14 applying the school size factor to the student count as set out in AS 14.17.450;

15 (B) the number obtained under (A) of this paragraph is
16 multiplied by the district cost factor described in AS 14.17.460;

17 (C) the ADMs of each school in a district, as adjusted
18 according to (A) and (B) of this paragraph, are added; the sum is then
19 multiplied by the special needs factor set out in AS 14.17.420(a)(1) and the
20 secondary school vocational and technical instruction funding factor set out in
21 AS 14.17.420(a)(3);

22 (D) the number obtained for intensive services under
23 AS 14.17.420(a)(2), the number obtained for gifted and talented

1 enrichment programs under AS 14.17.420(a)(4), and the number obtained
2 for correspondence study under AS 14.17.430 are added to the number
3 obtained under (C) of this paragraph or under (H) and (I) of this paragraph;

4 (E) notwithstanding (A) - (C) of this paragraph, if a school
5 district's ADM adjusted for school size under (A) of this paragraph decreases
6 by five percent or more from one fiscal year to the next fiscal year, the school
7 district may use the last fiscal year before the decrease as a base fiscal year to
8 offset the decrease, according to the following method:

9 (i) for the first fiscal year after the base fiscal year
10 determined under this subparagraph, the school district's ADM adjusted
11 for school size determined under (A) of this paragraph is calculated as
12 the district's ADM adjusted for school size, plus 75 percent of the
13 difference in the district's ADM adjusted for school size between the
14 base fiscal year and the first fiscal year after the base fiscal year;

15 (ii) for the second fiscal year after the base fiscal year
16 determined under this subparagraph, the school district's ADM adjusted
17 for school size determined under (A) of this paragraph is calculated as
18 the district's ADM adjusted for school size, plus 50 percent of the
19 difference in the district's ADM adjusted for school size between the
20 base fiscal year and the second fiscal year after the base fiscal year;

21 (iii) for the third fiscal year after the base fiscal year
22 determined under this subparagraph, the school district's ADM adjusted
23 for school size determined under (A) of this paragraph is calculated as
24 the district's ADM adjusted for school size, plus 25 percent of the
25 difference in the district's ADM adjusted for school size between the
26 base fiscal year and the third fiscal year after the base fiscal year;

27 (F) the method established in (E) of this paragraph is available
28 to a school district for the three fiscal years following the base fiscal year
29 determined under (E) of this paragraph only if the district's ADM adjusted for
30 school size determined under (A) of this paragraph for each fiscal year is less
31 than the district's ADM adjusted for school size in the base fiscal year;

1 (G) the method established in (E) of this paragraph does not
2 apply to a decrease in the district's ADM adjusted for school size resulting
3 from a loss of enrollment that occurs as a result of a boundary change under
4 AS 29;

5 (H) notwithstanding (A) - (C) of this paragraph, if one or more
6 schools close and consolidate with one or more other schools in the same
7 community and district and, as a result of the consolidation, basic need
8 generated by the district's ADM of the consolidated schools as adjusted under
9 (A) - (C) of this paragraph decreases, the district may use the last fiscal year
10 before the consolidation as the base fiscal year to offset that decrease for the
11 first four fiscal years following consolidation according to the following
12 method:

13 (i) for the first two fiscal years after the base fiscal year,
14 the district's ADM of the consolidated schools as adjusted under (A) -
15 (C) of this paragraph is calculated by dividing the sum of the district's
16 ADM of the consolidated schools as adjusted under (A) - (C) of this
17 paragraph for the base fiscal year by the sum of the district's ADM of
18 the consolidated schools for the base fiscal year without adjustment,
19 and subtracting the quotient obtained by dividing the district's ADM of
20 the consolidated schools for the current fiscal year as adjusted under
21 (A) - (C) of this paragraph by the sum of the district's ADM of the
22 consolidated schools for the current fiscal year without adjustment,
23 multiplying that number by the sum of the district's ADM of the
24 consolidated schools for the current fiscal year without adjustment, and
25 adding that number to the sum of the district's ADM of the consolidated
26 schools for the current fiscal year as adjusted under (A) - (C) of this
27 paragraph;

28 (ii) for the third fiscal year after the base fiscal year, the
29 district's ADM of the consolidated schools as adjusted under (A) - (C)
30 of this paragraph is calculated by dividing the sum of the district's
31 ADM of the consolidated schools as adjusted under (A) - (C) of this

1 paragraph for the base fiscal year by the sum of the district's ADM of
2 the consolidated schools for the base fiscal year without adjustment,
3 and subtracting the quotient obtained by dividing the sum of the
4 district's ADM of the consolidated schools for the current fiscal year as
5 adjusted under (A) - (C) of this paragraph by the sum of the district's
6 ADM of the consolidated schools for the current fiscal year,
7 multiplying that number by the sum of the district's ADM of the
8 consolidated schools for the current fiscal year without adjustment,
9 multiplying that number by 66 percent, and adding that number to the
10 sum of the district's ADM of the consolidated schools for the current
11 fiscal year as adjusted under (A) - (C) of this paragraph;

12 (iii) for the fourth fiscal year after the base fiscal year,
13 the district's ADM of the consolidated schools as adjusted under (A) -
14 (C) of this paragraph is calculated by dividing the sum of the district's
15 ADM of the consolidated schools as adjusted under (A) - (C) of this
16 paragraph for the base fiscal year by the sum of the district's ADM of
17 the consolidated schools for the base fiscal year without adjustment,
18 and subtracting the quotient obtained by dividing the sum of the
19 district's ADM of the consolidated schools for the current fiscal year as
20 adjusted under (A) - (C) of this paragraph by the sum of the district's
21 ADM of the consolidated schools for the current fiscal year,
22 multiplying that number by the sum of the district's ADM of the
23 consolidated schools for the current fiscal year without adjustment,
24 multiplying that number by 33 percent, and adding that number to the
25 sum of the district's ADM of the consolidated schools for the current
26 fiscal year as adjusted under (A) - (C) of this paragraph;

27 (iv) to calculate the district's basic need for each fiscal
28 year, the number obtained through the calculation in (i), (ii), or (iii) of
29 this subparagraph is added to the number obtained under (C) of this
30 paragraph for the remainder of the district;

31 (I) if the basic need calculated under (H)(i) - (iii) of this

1 paragraph for one of the first four fiscal years after consolidation is less than
2 the basic need calculated under (A) - (C) of this paragraph for that fiscal year,
3 the basic need may not be adjusted under (H) of this paragraph for that fiscal
4 year;

5 (J) a district may not offset a decrease under (H) of this
6 paragraph if

7 (i) a new facility is constructed in the district for the
8 consolidation; or

9 (ii) the district offset a decrease under (E) of this
10 paragraph in the same fiscal year;

11 (K) a district that offsets a decrease under (H) of this paragraph
12 may not reopen a school that was closed for consolidation in the district until

13 (i) seven or more years have passed since the school
14 closure; and

15 (ii) the district provides evidence satisfactory to the
16 department that the schools affected by the consolidation are over
17 capacity;

18 (L) a district may not reopen and reconsolidate a school that
19 was consolidated in the district more than once every seven years for purposes
20 of the calculations made under (H) of this paragraph;

21 (M) a district offsetting a decrease under (H) of this paragraph
22 shall provide the department with the list of schools participating in the
23 consolidation and the corresponding ADM;

24 (2) the required local contribution of a city or borough school district is
25 the equivalent of a 2.65 mill tax levy on the full and true value of the taxable real and
26 personal property in the district as of January 1 of the second preceding fiscal year, as
27 determined by the Department of Commerce, Community, and Economic
28 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a
29 district's basic need for the preceding fiscal year as determined under (1) of this
30 subsection.

31 * Sec. 3. AS 14.17.420(a) is amended to read:

1 (a) As a component of public school funding, a district is eligible for special
2 needs and secondary school vocational and technical instruction funding and may be
3 eligible for intensive services and gifted and talented enrichment program funding
4 as follows:

5 (1) special needs funding is available to a district to assist the district
6 in providing special education, gifted and talented education, vocational education,
7 and bilingual education services to its students; a special needs funding factor of 1.20
8 shall be applied as set out in AS 14.17.410(b)(1);

9 (2) in addition to the special needs funding for which a district is
10 eligible under (1) of this subsection, a district is eligible for intensive services funding
11 for each special education student who needs and receives intensive services and is
12 enrolled on the last day of the count period; for each such student, intensive services
13 funding is equal to the intensive student count multiplied by 13;

14 (3) in addition to the special needs and intensive services funding
15 available under (1) and (2) of this subsection, secondary school vocational and
16 technical instruction funding is available to assist districts in providing vocational and
17 technical instruction to students who are enrolled in a secondary school; a secondary
18 school vocational and technical instruction funding factor of 1.015 shall be applied as
19 set out in AS 14.17.410(b)(1); in this paragraph, "vocational and technical instruction"
20 excludes costs associated with

21 (A) administrative expenses; and

22 (B) instruction in general literacy, mathematics, and job
23 readiness skills;

24 **(4) in addition to the special needs, intensive services, and**
25 **secondary school vocational and technical instruction funding available under (1)**
26 **- (3) of this subsection, a district is eligible for gifted and talented enrichment**
27 **program funding for each student who needs and receives services under a gifted**
28 **and talented enrichment program provided by the district and is enrolled on the**
29 **last day of the count period; for each such student, gifted and talented**
30 **enrichment program funding is equal to the gifted and talented enrichment**
31 **program student count multiplied by 1.3.**

1 * **Sec. 4.** AS 14.17.420(c) is amended to read:

2 (c) In this section,

3 (1) "gifted and talented enrichment program" means a program
4 for gifted and talented students who are in grades kindergarten through six and
5 that

6 (A) meets at least once each week and for not less than
7 three hours each week; and

8 (B) provides enrichment instruction to gifted and talented
9 students among other gifted and talented students outside the student's
10 regular classroom;

11 (2) "intensive services" has the meaning given by the department by
12 regulation adopted under AS 14.30.180 - 14.30.350.

13 * **Sec. 5.** Section 1 of this Act takes effect immediately under AS 01.10.070(c).

14 * **Sec. 6.** Except as provided in sec. 5 of this Act, this Act takes effect July 1, 2024."