

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version:	SB 13
Fiscal Note Number:	2
(H) Publish Date:	2/12/2024

Identifier: SB13-UA-OIT-1-26-2024
 Title: UNIVERSITY: TEXTBOOKS/MATERIALS COST
 Sponsor: MYERS
 Requester: (H) Education Committee

Department: University of Alaska
 Appropriation: University of Alaska
 Allocation: Office of Information Technology
 OMB Component Number: 734

Expenditures/Revenues

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

	FY2025	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2025 Request	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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 (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? N
(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? Y
 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/26

Why this fiscal note differs from previous version/comments:

Updated from SLA2023 to SLA2024 fiscal note template.

Updated the maximum amount considered "low-cost" based on hourly minimum wage effective January 1, 2024. Updated from \$43.40 (\$10.85 min wage x 4) to \$46.92 (\$11.73 min wage x 4).

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Division:	University of Alaska System Office of Strategy, Planning and Budget	Date:	01/26/2024
Approved By:	Michelle Rizk, Vice President	Date:	01/26/24
Agency:	University of Alaska		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

Analysis

Senate Bill 13 is titled "An Act relating to costs of and charges for textbooks and other course materials required for the University of Alaska courses; and providing for an effective date (July 1, 2026)." The bill looks to solidify efforts for textbook transparency that are already in progress at various universities across the UA system and may require a modification to UA Board of Regents policy and/or regulations (P10.08.020 Selection of Textbooks and Educational Materials).

This legislation would add a new section, AS 14.40.121 Course materials, where the University of Alaska online course schedule must provide: a description of each course that clearly identifies costs, including zero or low-cost resources, associated with required course materials; and for searches identifying courses in which all required course materials are zero-cost or low-cost. Low-cost resources are defined at a pre-tax sales price that is not more than four times the hourly minimum wage established in AS 23.10.065(a), in 2024 low-cost would be no more than \$46.92.

The estimated cost to design, develop, test, and implement the capabilities described in the legislation includes building new integrations with multiple third-party software vendors. There will be upfront capital costs which we believe can be funded through the \$20 million Student Information System Modernization that was previously funded by the legislature. The SIS project is expected to be completed in the next three years.

There will be a productivity cost that the legislature should be aware of: Requiring professors to focus on administrative tasks takes away from the core educational mission. New professors are particularly vulnerable to compliance. "Everything is new."