

Fiscal Note

State of Alaska
2023 Legislative Session

Bill Version:	SB 113
Fiscal Note Number:	1
(S) Publish Date:	4/5/2023

Identifier: SB113-EED-SFF-3-29-23
 Title: REAA FUND: MT. EDGE CUMBE, TEACHER HOUSING
 Sponsor: FINANCE
 Requester: Senate Education

Department: Department of Education and Early Development
 Appropriation: Education Support and Admin Services
 Allocation: School Finance & Facilities
 OMB Component Number: 2737

Expenditures/Revenues

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

	FY2024 Appropriation Requested	Included in Governor's FY2024 Request	Out-Year Cost Estimates				
			FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OPERATING EXPENDITURES	FY 2024	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Personal Services	234.4		234.4	234.4	234.4	234.4	234.4
Travel	8.0		8.0	8.0	8.0	8.0	8.0
Services	26.2		20.2	20.2	20.2	20.2	20.2
Commodities	10.0						
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	278.6	0.0	262.6	262.6	262.6	262.6	262.6

Fund Source (Operating Only)

1004 Gen Fund (UGF)	278.6		262.6	262.6	262.6	262.6	262.6
Total	278.6	0.0	262.6	262.6	262.6	262.6	262.6

Positions

Full-time	2.0		2.0	2.0	2.0	2.0	2.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? Yes
(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 If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/24

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

Prepared By: Joe Willhoite, School Facilities Manager	Phone: (907)465-6569
Division: Division of Finance and Support Services	Date: 03/28/2023 05:00 PM
Approved By: Sabrina Javier, Administrative Services Director	Date: 03/29/23
Agency: Department of Education and Early Development	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION**Analysis**

The bill amends AS 14.11.025(a) to include Mt. Edgecumbe High School (MEHS) as a funding recipient under the Regional Educational Attendance Area and Small Municipal School District School Fund (REAA Fund). This would also include funding teacher housing that is state owned, located in, or provided to REAAs or small municipal school districts.

This bill amends AS 14.11.030(a) to include MEHS and major maintenance projects for teacher housing as eligible projects to receive an allocation from the REAA Fund.

This bill also amends AS 14.11.030(b) by removing the REAA Fund's \$70 million cap on the fund balance

By adding MEHS facilities and teacher housing as eligible allocations from the REAA Fund, this would increase the scope and number of facilities under the Department of Education and Early Development's (DEED) purview. This would require additional staff expertise as it relates to residential (dwelling/sleeping unit) design and construction considerations. To provide this additional expertise, DEED would need the following two positions: one School Finance Specialist 2 at a Range 18, Step B/C, at \$113.9, and one Building Management Specialist at a Range 19, Step B/C, at \$120.5.

In addition, on-site technical support and analysis would need to be provided so these positions will be required to travel throughout the State. Each position would need two trips annually at \$2.0 per trip (\$8.0 total).

In addition, there are support costs associated with establishing new positions: department chargebacks of \$10.1 per position annually (\$20.2 total), as well as one-time supplies and equipment costs of \$5.0 per position (\$10.0 total).

In FY2024, a one-time increment of \$6.0 will be needed for legal services costs associated with revising and establishing new regulations.