

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version:	HB 76
Fiscal Note Number:	2
(H) Publish Date:	1/31/2025

Identifier: 0082-EED-PT-1-29-25
Title: EDUCATION:SCHOOLS; GRANTS; FUNDING;
DEBT
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Department of Education and Early Development
Appropriation: K-12 Aid to School Districts
Allocation: Pupil Transportation
OMB Component Number: 144

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits			3,366.3	3,366.3	3,366.3	3,366.3	3,366.3
Miscellaneous							
Total Operating	0.0	0.0	3,366.3	3,366.3	3,366.3	3,366.3	3,366.3

Fund Source (Operating Only)

1004 Gen Fund (UGF)			3,366.3	3,366.3	3,366.3	3,366.3	3,366.3
Total	0.0	0.0	3,366.3	3,366.3	3,366.3	3,366.3	3,366.3

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 (FY2025) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2026) 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If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/26

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Agency: Department of Education and Early Development

Phone: (907)269-6889
Date: 01/28/2025 05:00 PM
Date: 01/29/25

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

Analysis

The bill amends the per student amount in AS 14.09.010 for district pupil transportation grants to increase by approximately 20 percent over the current statutory rate as adjusted based on a CPI through FY2016 (ref. SB57 (Chapter 69, SLA 2013)). The new language also removes Tanana from the list, reflecting the dissolution of Tanana as a separate district. The projected increase in pupil transportation costs in FY2026 is \$14,517.2.

The funding mechanism for AS 14.09.010 grants is a general fund transfer to the Public Education Fund (PEF). The fiscal note effect for FY2026 through FY2031 is reported in the fiscal note for the PEF, as the funding is deposited to the PEF, not into the Pupil Transportation funding component. The above analysis is presented here for explanation purposes only.

The bill also adds language that the department shall, through regulation, establish a student transportation plan for students that apply are accepted to attend a school or school district outside of the student's local school or district boundary area. The department anticipates the most effective way to implement these transportation plans will be to integrate with and add to district student transportation programs; however, it may be necessary for the department to directly enter into transportation agreements or in-lieu of agreements as these will be added routes and costs on top of the existing to-and-from transportation routes funded through AS 14.09.010 grants. The exact scope and needs to be met by the student transportation plan cannot currently be known, this fiscal notes projects an estimated cost of \$3,366.3. This amount was determined based on one percent of the total average daily membership (ADM) participating at a daily rate of \$15 (whole dollars) per day for a 180-day school term (see table below). Projected costs would be adjusted in the out years based on actual program usage.

Projected FY2026 Total ADM	124,679.35
1% ADM Estimated Participation	1,246.79
Daily Rate (whole dollars)	\$ 15
Total Days (School Term)	180
Projected Cost (whole dollars)	<u>\$ 3,366,342</u>

The effective date for these provisions is July 1, 2026 (FY2027).