

HOUSE BILL NO. 85

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/22/93

Referred: Health, Education & Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the public school foundation program; and providing for an  
2 effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 \* Section 1. AS 14.17.021(b) is amended to read:

5 (b) The basic need of a school district is determined by multiplying the Alaska  
6 school price index for [AREA COST DIFFERENTIAL OF] the district under  
7 AS 14.17.049 [AS 14.17.051] by the number of instructional units in the district under  
8 AS 14.17.031 and then multiplying that product by the instructional unit value in  
9 AS 14.17.056.

10 \* Sec. 2. AS 14.17.022 is amended to read:

11 Sec. 14.17.022. MONEY FOR CENTRALIZED CORRESPONDENCE  
12 STUDY. Money for providing centralized correspondence study programs for students  
13 not enrolled in an approved school district correspondence study program includes an  
14 allocation from the public school foundation account in an amount calculated by

1 multiplying the instructional unit value in AS 14.17.056 by the total number of  
2 instructional units, as determined by applying the number of correspondence students  
3 to the formula [FOR ELEMENTARY SCHOOLS] in AS 14.17.041(b)  
4 [AS 14.17.041(b)(1)], then multiplying that product by 65 percent.

5 \* Sec. 3. AS 14.17.024(a) is amended to read:

6 (a) Money for the instructional services provided in a fiscal year by the state  
7 boarding school established under AS 14.16.010 includes an allocation from the public  
8 school foundation account in an amount calculated by

9 (1) multiplying the instructional unit value in AS 14.17.056 by the total  
10 number of instructional units under AS 14.17.031 for that fiscal year, as determined  
11 by treating the school as if it were a school district consisting of a single funding  
12 community;

13 (2) multiplying the product determined under (1) of this subsection by  
14 the Alaska school price index [AREA COST DIFFERENTIAL] that is applicable to  
15 calculation of the entitlement for the adjacent school district under AS 14.17.049  
16 [AS 14.17.051]; and

17 (3) adding 10 percent of the eligible federal impact aid received for that  
18 fiscal year on behalf of the school plus any federal impact aid received on behalf of  
19 the school which the state, under P.L. 81-874 (20 U.S.C. 236 - 244), as amended, and  
20 regulations adopted under it, could not consider as local resources if the school were  
21 considered a school district.

22 \* Sec 4. AS 14.17.031(a) is amended to read:

23 (a) The department shall adopt regulations defining funding communities  
24 within a [EACH] district that reflect geographic and attendance area factors. For the  
25 purpose of determining allowable instructional units, a student is [STUDENTS ARE]  
26 counted in the district and the funding community from which that student receives  
27 [THEY RECEIVE] educational services. The total number of instructional units in a  
28 school district is the sum of the following units for each funding community within  
29 the district, as determined by the department:

30 (1) the number of units for elementary and secondary students  
31 determined under AS 14.17.041(a) or (b);

- 1 (2) the number of units for vocational education determined under  
2 AS 14.17.043;
- 3 (3) the number of units for special education determined under  
4 AS 14.17.045; [AND]
- 5 (4) the number of units for bilingual education determined under  
6 AS 14.17.047; and
- 7 (5) the number of units for gifted and talented education  
8 determined under AS 14.17.048.

9 \* Sec. 5. AS 14.17.043 is repealed and reenacted to read:

10 Sec. 14.17.043. VOCATIONAL EDUCATION INSTRUCTIONAL UNITS.  
11 Vocational education instructional units for a funding community are calculated by  
12 multiplying the secondary student enrollment in that funding community on the last  
13 day of the student counting period under AS 14.17.160 by a supplemental revenue  
14 weighting factor specified in regulations adopted by the department. The department  
15 shall assign each school district a minimum of 1.00 instructional unit for that district's  
16 vocational education program.

17 \* Sec. 6. AS 14.17.045 is amended to read:

18 Sec. 14.17.045. SPECIAL EDUCATION INSTRUCTIONAL UNITS. (a) An  
19 exceptional child, other than a gifted child, as both are defined in AS 14.30.350,  
20 who is enrolled in a special education program, approved by the department, on the  
21 last day of the counting period for which a determination is being made, generates  
22 [0.025 INSTRUCTIONAL UNITS IF THE CHILD RECEIVES GIFTED SERVICES,]  
23 0.056 instructional units if the child receives resource services, 0.1 instructional units  
24 if the child receives self-contained services, or 0.333 instructional units if the child  
25 receives intensive or hospital/homebound services, as those categories of service are  
26 defined by the department by regulation, in the funding community in which the child  
27 is served. A child may be counted in one special education category only.

28 (b) Notwithstanding (a) of this section, in a district that offers a special  
29 education program for exceptional children other than gifted children, as both are  
30 defined in AS 14.30.350, each funding community receives a minimum of 0.25  
31 instructional units for special education for each funding community in which such a

1 child is served or the district receives a minimum of 1.00 instructional units for special  
2 education, whichever is greater.

3 \* Sec. 7. AS 14.17 is amended by adding new sections to read:

4 Sec. 14.17.048. GIFTED AND TALENTED INSTRUCTIONAL UNITS.  
5 Gifted and talented instructional units for a funding community in a district are  
6 calculated by

7 (1) multiplying by .045 the elementary and secondary student  
8 enrollment in the funding community on the last day of the student counting period  
9 under AS 14.17.160; and

10 (2) multiplying the product obtained under (1) of this section by a  
11 supplemental revenue weighting factor specified in regulations adopted by the  
12 department.

13 Sec. 14.17.049. ALASKA SCHOOL PRICE INDEX. (a) The department  
14 shall determine the Alaska school price index for a district or districts based on an  
15 average of expenditures for educational goods and services as reported by the school  
16 districts receiving aid under this chapter for fiscal years 1989 and 1992. The  
17 department, by regulation, shall assign weights for the following categories of  
18 expenditures:

19 (1) salaries and benefits of certificated employees;

20 (2) salaries and benefits of noncertificated employees;

21 (3) other expenses for non-personnel educational goods and services.

22 (b) The department shall adjust the Alaska school price index for a district or  
23 districts in fiscal year 1997 and every third fiscal year after that, based on a national  
24 elementary and secondary school price index as designated in regulations adopted by  
25 the department. The department shall notify school districts annually of the Alaska  
26 school price index for each district.

27 (c) The department may require school districts to submit uniform expenditure  
28 reports as designated in regulations adopted by the department.

29 (d) The department shall assign an Alaska school price index to a new district  
30 based on the Alaska school price index for districts that the department determines  
31 have similar characteristics, including remoteness, population density, and geographic

1 location.

2 \* Sec. 8. AS 14.17.080 is amended to read:

3 Sec 14.17.080. STUDENT COUNT ESTIMATES. Each district shall prepare  
4 and submit to the department, by November 20 [OCTOBER 15] of each fiscal year,  
5 in the manner and on forms prescribed by the department, an estimate of its average  
6 daily membership and other student count data for the succeeding fiscal year, upon  
7 which computations can be made of the amount of estimated state foundation aid for  
8 which the district will be eligible under AS 14.17.021 in that fiscal year. In making  
9 this estimate for the succeeding fiscal year, the district shall consider its average daily  
10 membership in the current fiscal year, other student count data, the pattern of growth  
11 or decline in preceding years, and other pertinent information available to the district.  
12 The preliminary reports required by this section are the basis for estimating the need  
13 for state foundation aid for the next fiscal year.

14 \* Sec. 9. AS 14.17.160(b) is amended to read:

15 (b) Upon written request and for good cause shown, the commissioner may  
16 permit a district to use a 20-school-day counting period from the same school year  
17 other than the periods set out in (a) of this section. However, the counting period must  
18 be 20 consecutive school days.

19 \* Sec. 10. AS 14.17.160 is amended by adding new subsections to read:

20 (c) Upon written request, and for good cause shown, the commissioner may  
21 permit a district to use, for purposes of reporting its average daily membership, the  
22 October or February counting period report described in (a) of this section, or the  
23 report for another period authorized under (b) of this section, from the immediately  
24 preceding school year. The report must accompany a request under this subsection,  
25 and is in addition to the October report for the current school year required by (a) of  
26 this section.

27 (d) For purposes of this section, "good cause" includes reduction in student  
28 enrollment.

29 \* Sec. 11. AS 14.17.031(b), 14.17.051, and AS 14.30.315 are repealed.

30 \* Sec. 12. TRANSITION: BASIC NEED OF A DISTRICT FOR FISCAL YEARS 1994,  
31 1995, AND 1996. For each of fiscal years 1994, 1995, and 1996, if calculation under

1 AS 14.17, as amended by this Act, of a school district's basic need results, for a reason other  
2 than reduction in student enrollment, in an amount that is less than the amount of that  
3 district's basic need as calculated for fiscal year 1993, the school district's basic need shall  
4 be the amount calculated for fiscal year 1993.

5 \* Sec. 13. TRANSITION: REGULATIONS. Notwithstanding sec. 15 of this Act, the  
6 Department of Education may immediately proceed to adopt regulations necessary to  
7 implement this Act. The regulations take effect under the Administrative Procedure Act, but  
8 not before July 1, 1993.

9 \* Sec. 14. Section 13 of this Act takes effect immediately under AS 01.10.070(c).

10 \* Sec. 15. Sections 1 - 12 of this Act take effect July 1, 1993.