

"An Act relating to the computation of state aid under the public school foundation program; and providing for an effective date."

2/5/75

# COMMITTEE REPORT

## HOUSE

Mr. Speaker:

Date Feb. 13, 1975

The Committee on FINANCE has had HB 57

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT

CS FOR \_\_\_\_\_ DO PASS

"and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>Buchheit</u>	<u>Paul Duff</u>	_____
<u>F. Blumauer</u>	<u>Thomas</u>	_____
<u>_____</u>	<u>_____</u>	_____
<u>_____</u>	<u>H. Malone</u>	_____

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

H. Malone Chairman

Introduced: 1/24/75  
Referred: Health, Education &  
Social Services and Finance

1 IN THE HOUSE

BY GARDINER, PARR AND BEIRNE

2 HOUSE BILL NO. 67

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the computation of state aid under  
7 the public school foundation program; and providing  
8 for an effective date."

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

10 \* Section 1. AS 14.17.170 is amended to read:

11 Sec. 14.17.170. PAYMENT UNDER ADJUSTED COMPUTATIONS. Each  
12 district shall make a report at the end of the first nine weeks of  
13 school, which contains a new estimate of its average daily membership  
14 for the fiscal year and other information which will aid the commis-  
15 sioner in making a more accurate determination of each district's state  
16 aid. This new estimate and information of average daily membership  
17 shall be the basis for the computation and distribution of each dis-  
18 trict's state aid for the balance of the fiscal year. The commissioner  
19 shall, on the basis of this new estimate and information, make recom-  
20 putation of each district's state aid. Before December 2, the  
21 commissioner shall notify each district of changes made in its state  
22 aid. The commissioner shall also determine whether the money in the  
23 public school foundation account is sufficient to meet each district's  
24 state aid for the fiscal year, and, if the money is not sufficient,  
25 he shall immediately inform the governor of the amount of additional  
26 appropriation he estimates will be necessary to carry out the public  
27 school foundation program for the rest of the fiscal year. Beginning  
28 February 15 and on the 15th of each subsequent month, one-fifth of  
29 the recomputed balance of each district's state aid shall be

1 distributed. However, one-half of the June payment shall be withheld  
2 pending a final determination of the district's state aid.

3 \* Sec. 2. AS 14.17.180 is amended to read:

4 Sec. 14.17.180. PAYMENT UNDER FINAL COMPUTATION. Before  
5 June 16 each district shall transmit to the commissioner a final  
6 computation of the district's state aid. The commissioner shall  
7 process each district's computation in the manner provided by sec.  
8 150(a) of this chapter. However, in no event may the entitlement of  
9 a school district to state aid be less than that computed under  
10 sec. 170 of this chapter. Additional state aid shall be obligated  
11 by the commissioner before June 30. [IF THE DISTRICT RECEIVED MORE  
12 STATE AID MONEY THAN IT WAS ENTITLED TO UNDER THIS CHAPTER, IT SHALL  
13 IMMEDIATELY, AFTER NOTICE FROM THE COMMISSIONER OF THE OVERPAYMENT,  
14 REMIT THE AMOUNT OF OVERPAYMENT TO THE COMMISSIONER TO BE RETURNED TO  
15 THE PUBLIC SCHOOL FOUNDATION ACCOUNT.]

16 \* Sec. 3. This Act takes effect July 1, 1975.  
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The Legislature of the State of Alaska  
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. HB #67

Title: Relating to computation of State aid under Public School Foundation Program

Requested by: House HESS Committee Date: 1-31-75

Return Date Requested: ASAP

Agency: Education Program: Elem. and Secondary Education

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Financial Support Program

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	130.5	130.5	130.5	130.5	130.5	130.5
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND	130.5	130.5	130.5	130.5	130.5	130.5
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached.

IV. ATTACHMENTS

V. DATE: 2/4/75

PREPARED BY: Willa R. Thomas

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

DEPARTMENT OF EDUCATION

HB #67

By using the average daily membership of the first quarter of the school year as a base, this bill would establish a base in terms of instructional units below which a district would not fall.

Our 1973-74 data for the last complete fiscal year, shows only four districts has less ADM at the end of the year compared with the first quarter ADM. The difference was insignificant.

	<u>1973-74</u> <u>1st Quarter Units</u>	<u>1973-74</u> <u>Final Units</u>		<u>Cost @</u> <u>21,750 per Unit</u>
FAIRBANKS	476	474	2	43,500
KAKE	18	17	1	21,750
KENAI	320	318	2	43,500
UNALASKA	<u>13</u>	<u>12</u>	<u>1</u>	<u>21,750</u>
	827	821	6	130,500