

COMMITTEE REPORT

SENATE

3/5/75

Mr. President:

Date _____

The Committee on FINANCE has had SB 73 powers of the Dept. of Education re contractual agreements, boarding home students 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>Bess Kay</u>	_____	_____
<u>Alan Sutcliffe</u>	<u>Holman</u>	_____
<u>John Stoddard</u>	<u>W. J. Ireland</u>	_____
<u>James Chance</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

Bess Kay Chairman

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST S. B. #74 *S.B. 73*
 Bill No. S. B. #74
 Title: making a supplemental appropriation to the DOE for boarding costs.
 Requested by: Senate Finance Date: 2-28-75
 Return Date Requested: 3-6-75
 Agency: Education Program: Domiciliary Services

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Boarding Home Programs

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.	175,000	192,500	211,750	232,925	256,218	281,840
TOTAL	175,000	192,500	211,750	232,925	256,218	281,840

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

- ASSUME (a) 60 students - Kodiak Borough School District]
 (b) 15 students - Kenai Borough School District] @2,500 cost x 50%
 (c) 65 students - North Slope Borough School District]
 140 students x \$24,500 x 50% = \$175,000

(d) 10% inflation increase in succeeding fiscal years.

IV. ATTACHMENTS

V. DATE: 3/3/75 PREPARED BY: William D. Johnson

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

STATE OF ALASKA
Inter-Department Route Slip

TO:
MAIL STATION NUMBER _____

DEPARTMENT _____

ATTENTION JIM FENNEL

- | | |
|--|--|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Note & Return |
| <input type="checkbox"/> Signature | <input type="checkbox"/> Initial & Return |
| <input type="checkbox"/> Comment | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action |
| <input type="checkbox"/> For Your File | <input type="checkbox"/> Your Information |

Remarks:

DOE POSITION PAPERS
ON S.B # 13 & 74

FROM:
MAIL STATION NUMBER 0500

DEPARTMENT EDUC.

BY Johnson DATE 3-7-75

Treat some as

Fiscal note

J.3.

7 copies

Karsten

DEPARTMENT OF EDUCATION
AGENCY COMMENT

SB# 73, 74, and 85

SB# 73 - 85

Relating to the powers of the Department of Education with respect to contractual agreements for the sharing of boarding costs of secondary students; and providing for an effective date.

SB# 74

Making a supplemental appropriation to the Department of Education for the sharing of boarding costs of secondary school students; and providing for an effective date.

BACKGROUND

[Currently, the Department of Education operates a boarding program for secondary students not having access to a resident secondary school system in the unorganized borough, thus affording those students with the opportunity to attend such a program.] Costs of such program is borne fully by the State.

Three borough school districts (Kodiak, Kenai, and North Slope) also operate boarding programs for secondary students, however, costs of such programs are borne by the local districts with no State participation since the Department has no authority to provide boarding home services or financial assistance to offset boarding home costs in local districts.

PROPOSED LEGISLATIVE CHANGE: SB# 73 - 85 and 74

[The proposed legislation would amend A.S. 14.07.030(5) to include the school districts, thus allowing the Department to share in the costs of a boarding program operated by districts.] SB# 74 would provide for 50% State participation assuming an annual cost of \$2500 per student with an estimated 140 students participating.

SPECIAL PROBLEMS

[No special problems are anticipated, since the Department would reimburse local districts on submission of documentation showing student costs and participation.] However, reimbursement of 50% of the boarding costs sustained by local districts would mean that the city and borough districts would have to absorb the other 50% of the costs from local sources or the Public School Foundation Program. This would mean utilizing some of the funds available for instruction to absorb domiciliary costs, while costs of domiciling students from the unorganized borough would be treated as wholly supplementary to the instructional program.

RECOMMENDATION

[Since the Department contracts and pays the full costs of operating a boarding program for students in the unorganized borough at the present time, it is suggested, in the interests of equal treatment, that the Department may contract with districts in a like manner.] Responsibility for illustrating that the establishment of a residential educational program is unsound for economic or educational reasons would lie with the local district. Such conditions would be a prerequisite, before the department would enter into a contractual arrangement with local districts.

NAME: *William A. ...*

TITLE: Director, Management and Finance

DATE: *1/1/60*

Introduced: 1/28/75
Referred: Health, Education
and Social Services

1 IN THE SENATE

BY POLAND, FERGUSON AND TILLION

2 SENATE BILL NO. 73

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 powers of the Department of
7 Education with respect to contractual agreements for
8 the sharing of boarding costs of secondary school
9 students; and providing for an effective date."

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

11 * Section 1. AS 14.07.030(5) is amended to read:

12 (5) enter into contractual agreements with the Bureau of
13 Indian Affairs or with a school district to share boarding costs of
14 secondary school [SCHOOLS] students;

15 * Sec. 2. This Act takes effect immediately in accordance with
16 AS 01.10.070(c).

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