

H B

302

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

3/10/81

Date: April 21, 1981

(5)

Mr. Speaker:

The Committee on HEALTH, EDUCATION & SOCIAL SERVICES has had HB 302

"An Act relating to provision for adequate housing for teachers in the public schools in rural areas."

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 302  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]  
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 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

[Signature]  
 CHAIRMAN



**ASSOCIATION OF ALASKA SCHOOL BOARDS**

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FIG 302

**ASSOCIATION OF ALASKA SCHOOL BOARDS  
STAFF (TEACHER) HOUSING SURVEY  
OF ALL SCHOOL DISTRICTS  
IN ALASKA**

**MARCH 1981**

## SCHOOL DISTRICT STAFF (TEACHER) HOUSING

### A. Definition of the Problem:

Before addressing what has commonly been referred to as the "Teacher Housing Problem," some definitions must be cleared up first. For example, as the Iditarod School District stated in their response to our questionnaire, "All staff housing is a problem, not just teacher housing." Principals, highly skilled maintenance personnel, and central office administrators have also found it difficult to obtain housing and several districts have also provided these employees with housing, over 90% of the housing provided is for teachers, however.

Attempting to define each district's involvement in staff housing is often a confusing exercise. Some districts actually own housing units, some lease housing from local residents for staff, some simply subsidize staff members by paying them so much per month to find and rent their own housing, and many use a combination of all three. Consequently, for the purposes of this study, AASB defined "staff housing" as any housing and/or housing related benefits, i.e. actual housing, subsidies or stipends, payment of utilities and other costs, payment of part or all of rent, any maintenance and operation, and/or any other related costs and/or benefits involved with staff housing.

### B. Scope of the Problem:

Of the 52 school districts in the State of Alaska, 21 school districts do not provide any housing related benefits to employees, and 31 school districts provide some housing benefit(s) to at least one employee. Only 27 school districts actually provide housing benefits to more than one employee. Of those 27 districts, 18 are REAAS and 9 are municipal school districts.

In providing housing benefits to employees, school districts, almost without exception, absorb some or all of the costs in providing such benefits. These costs must come out of the districts' educational budgets. Trying to determine how much districts are spending this area is again a very difficult task to define and determine. For example, many of the REAAS inherited BIA constructed schools where the teachers' quarters are part of the school building, a school building that has its own generator plant. How does the district estimate the cost of the heating, maintenance, and electricity for teacher housing in such cases? In addition, when a maintenance person goes out to a

village to work on school facilities, he/she will often work on the teachers' quarters. Unless the district has a fairly sophisticated work order system of maintenance, then trying to determine how much the district is spending on staff housing maintenance is guesswork, at best. Consequently, in responding to our survey, almost all of the districts remarked that the figures they put down for staff housing were actually estimates and the actual costs were undoubtedly much higher.

For our survey we defined the "actual cost" of staff housing to the district as:

The total annual cost to the district for teacher (staff) housing, i.e., expenses for maintenance and operation, utilities, rent, subsidies to staff, and etc., that are not covered by the revenues generated by teacher housing, for example, rent collected by the district. In other words, the actual costs that the district must absorb for teacher (staff) housing.

Different districts estimated different annual costs for staff housing. The North Slope School District estimated spending \$904,200 per year on staff housing. This is probably a fairly accurate estimate as the district has a very sophisticated maintenance and general accounting system. Some districts, however, reported that they had just begun to break these costs out and really had no way of determining costs for staff housing at this time.

The total for all the districts who could report actual costs was \$2,585,160 state-wide. This two and a half million dollars is recognized as being a very low figure. The actual costs are much higher. Thus, the actual total annual state-wide cost for teacher (staff) housing--which does not include costs for capital construction and renovation to provide new housing--is well over 2.6 million dollars per year for providing present housing.

C. Future of the Problem:

In our survey we asked each district if they would wish to discontinue their involvement in providing staff housing if a workable alternative became available. All 27 responses from the 27 school districts providing housing stated a definite preference for getting out of the housing business. Seven of those 27 district responses stated that the district was already phasing

out of the business of providing staff housing. Of those, all but one was turning over the staff housing to private enterprise. The other district, Copper River, was providing mobile home trailer hook-ups on school sites so that teachers could purchase their own trailers. (This district is on a road system.) Thus, by 1983, only 21 districts will be providing staff housing as private enterprise is slowly replacing school district involvement.

D. Possible Solutions to the Problem:

Each district was also asked what alternatives to district owned housing they had tried in the past and/or anticipated using in the future. Five districts reported purchasing trailers and two districts reported they had built teacher housing. With varying degrees of success, 19 districts reported renting privately owned housing in smaller communities. In some districts, the district leased the housing year around and sub-leased it to teachers. (Several districts reported problems with district owned and/or leased housing in that some staff, particularly single teachers, did not want to live in the more expensive district housing if they could rent a cabin for much less money.) In other districts, teachers rent their own housing.

Eight districts reported entering into long-term leases with village corporations and private individuals. Thus, the owners could get financing to build housing and the district was assured of obtaining housing.

Almost all districts reported having periodic housing shortages. No single solution seemed to work best as one solution might work well in one community and be totally disfunctional in another -- all in the same school district.

E. Closing Remarks:

All of the school districts that provide staff housing in the state want to get out of the staff housing business. Seven districts, or over one quarter of the 27 districts now providing housing, will be phased out of the housing business by 1983. Private enterprise is taking over that function.

For the other 21 school districts, phasing out of the housing business is not a realistic alternative at this time, however, that day may come. The key may be to allow districts to make that determination for and by themselves, otherwise, school districts and the State

may assume that responsibility for an unduly long time period, thus, monopolizing and thwarting the gradual involvement of private enterprise.

Association of Alaska  
School Boards

Staff (Teacher)  
Housing Survey  
1981

Does the District provide and/or housing subsidies?  
 Board & Administration like to get out of housing business?  
 District would get out if workable alternative was available?  
 Annual Actual Cost to the District?  
 Is the District phasing out the housing business?  
 If so, timeline?  
 Phasing out to what?

DISTRICT

DISTRICT	Does the District provide and/or housing subsidies?	Board & Administration like to get out of housing business?	District would get out if workable alternative was available?	Annual Actual Cost to the District?	Is the District phasing out the housing business?	If so, timeline?	Phasing out to what?
1. Adak		Yes	Yes	Yes	-0-?	No	
2. AK Gateway	No						
3. Aleutian Region		Yes	No	Yes	52,000+	?	
4. Anchorage	No						
5. Annette Island		Yes	Yes	Yes	-0-?	No	
6. Bering Strait		Yes	No	Yes	190,825	No	
7. Bristol Bay *		Yes					
8. Chatham		Yes	Yes	Yes	48-50,000	No	
9. Chugach *		Yes					
10. Copper River		Yes	Yes	Yes	25,000	Yes	ASAP
11. Cordova	No						M. Home hook-up/sc
12. Craig		Yes	No	Yes	1-2,000	No	
13. Delta/Greely	No						
14. Dillingham	No						
15. Fairbanks	No						
16. Galena		Yes	Yes	Yes	100,000	Yes	by 1982
17. Haines	No						
18. Hoonah *		Yes					
19. Hydaburg		Yes	Yes	Yes	8,000+	No	
20. Iditarod		Yes	Yes	Yes	?	Yes	by 1982
21. Juneau	No						Private Rentals
22. Kake	No						
23. Kenai Peninsula**		Yes	Yes	Y	?	No	
24. Ketchikan	No						
25. King Cove **	No						
26. Klawock		Yes	Yes	Yes	5,000	No	
27. Kodiak Island ***		Yes	Yes	Yes	47,579+	No	
28. Kuspuk		Yes	Yes	Yes	?	Yes	--
29. Lake-Peninsula		Yes	No	Yes	90,000+	No	Local Private Ren
30. Lower Kuskokwim		Yes	No	Yes	-0-?	No	
31. Lower Yukon		Yes	No	Yes	256,790	No	
32. Mat-Su	No						
33. Nenana	No						
34. Nome	No						
35. North Star		Yes	Yes	Yes	904,200	No	
36. Northwest Arctic		Yes	Yes	Yes	475,000	Yes	--
37. Pelican **	No						Private Enterpris
38. Petersburg	No						
39. Pribilof Island		Yes	No	Yes	28,000+	No	
40. Railbelt		Yes	Yes	Yes	?	Yes	82-83
41. Sand Point	No						Local Private Ren
42. Sitka *		Yes					
43. Skagway	No						
44. SE Island		Yes	No	Yes	127,366	No	
45. St Marys		Yes	No	Yes	86,400	No	
46. S? Region		Yes	No	Yes	?	No	
47. Unalaska	No						
48. Valdez	No						
49. Wrangell	No						
50. Yakutat		Yes	Yes	Yes	?	No	
51. Yukon Flats		Yes	Yes	Yes	27,000	No	
52. Yukon Koyukuk		Yes	Yes	Yes	110,000	Yes	
TOTALS	21	31	17-Yes 10-No	27 or 100%-Yes	2,585,160 for 18 dists.	20-No 7-Yes 1-?	

\* Only one unit for one teacher or Superintendent  
 \*\* City provides housing  
 \*\*\* Housing provided in small communities only  
 \*\*\*\* ? actually provide it on any scale -- 18 REAA'S; 9 municipal  
 \*\*\*\*\* 11 districts (1/3 of the total) did not have appropriate...

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 302  
 Title An Act relating to provision for adequate housing for teachers in public schools in  
 Requested by House Mess Date 4/10/81 rural areas.

II. FISCAL DETAIL

Agency Affected Department of Education  
 Program Category Affected Elementary and Secondary Education  
 BRU, Program, or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>						

FUNDING (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS N/A

FULL TIME						
PART TIME						
TEMPORARY						

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

No fiscal impact.

IV. DATE 4/10/81 PREPARED BY Steve Hole  
 AGENCY Department of Education  
 PHONE 465-2800

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



HB 302: An act relating to provision for adequate housing for teachers in the public schools in rural areas.

Section 1 adds to the powers of regional school boards to allow them to enter leases, of 10 years or greater, to provide rental housing for teachers.

Section 2 adds to the duties of regional school boards to require them to inform all employees of the housing situation where they will be working, and to assist them in securing housing. The bill does not require school boards to provide housing or subsidize housing.

Section 3 adds additional duties to school boards in municipalities which are the same as in section 2. Municipalities already have the general power to provide housing. See AS 29.48.030 (a) (20) and 29.48.010 (9).

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST HB 302  
 Bill/Resolution No. HB 302  
 Title An act relating to provision of adequate housing for teachers...  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL  
 Agency Affected Education  
 Program Category Affected Education  
 BRU, Program, or Subprogram(s) Affected Financial Support  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		00				

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		00				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME						
PART TIME						
TEMPORARY						

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

Any fiscal impact of this legislation would be felt by the REAA's, and the fiscal responsibility would be entered into on a voluntary basis.

IV. DATE 4-9-81 PREPARED BY Robert A. Adair  
 AGENCY \_\_\_\_\_  
 PHONE \_\_\_\_\_  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)