

SB

203

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

 Revision Date: _____
 Title: RE: Flight Training Student
 Loans
 Sponsor: Bennett
 Requestor: Senate HESS

Bill Version: SB 203
 Publish Date: 3/20/87

Agency Affected: Education
 BRU: Postsecondary Commission
 Components: Student Loan Admin.
 Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-
CAPITAL	N.A.	-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	N.A.	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Kerry D. Romesburg Executive Director Phone: 465-2854
 Division: Postsecondary Education Commission Date: _____

Approved by Commissioner: _____ Date: _____
 Agency: _____

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

BACKGROUND AND DISCUSSION

Bill Summary: SB 203 restricts borrowing for flight training programs to attendance in Alaska, unless the program is unavailable in-state.

Borrowing Pattern: In 1986-87, 432 Alaskans borrowed for flight training programs, accounting for just over \$2.0 million. The distribution for FY87 was:

	Alaska		Out-of-State		Total	
	No.	%	No.	%	No.	%
Number of Loans	295	68.3	137	31.7	432	100.0
Amount of Loans	\$1,457,900	70.0	\$624,200	30.0	\$2,082,100	100.0

Issue :

1. If students are restricted to in-state training, can the in-state schools accommodate their needs?

Response. Yes, as long as there is the option for out-of-state attendance for those programs unavailable in Alaska.

2. How does the cost of flight training compare in-state with out-of-state?

Response. In Fall, 1986 the Commission conducted a study of vocational training costs in-state compared to out-of-state. The findings revealed that flight training expenses were comparable both in-state and out-of-state.

3. Can a student obtain rating certification more rapidly out-of-state?

Response. Generally, yes. Two factors enter into this. —First, students who attend out-of-state tend to dedicate more full-time attention to completing their training as quickly as possible. This saves room and board expenses. And, second, Alaska weather is unpredictable during many weeks and actually not suited for flight training during a few weeks. Some states have a more stable climate or one which is better for flying many days in succession.

4. Is the quality of flight training any better in Alaska or out-of-state?

Response. There is little evidence to suggest that flight training is superior in either generalized case. Some persons argue that an individual training in Alaska is better able to handle Alaska flying conditions, but this is a subjective judgement.

Fiscal Impact: A fiscal note is attached. The impact is estimated at zero, but it is possible that some persons wishing to obtain flight training out-of-state could elect to forego training altogether. If so, there could be some program savings.